RECESS UNTIL 9:30 A.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 recess until 9:30 a.m. tomorrow morning.

The motion was agreed to; and at 7:29 p.m., the Senate recessed until Tuesday, August 8, 1978, at 9:30 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 7, 1978:

DEPARTMENT OF ENERGY

Duane C. Sewell, of California, to be an Assistant Secretary of Energy (Defense Programs).

DEPARTMENT OF DEFENSE

Stanley R. Resor, of Connecticut, to be Under Secretary of Defense for Policy.

James Paul Wade, Jr., of Virginia, to be chairman of the Military Liaison Committee to the Department of Energy.

NATIONAL COUNCIL ON EDUCATIONAL RESEARCH

The following-named persons to be members of the National Council on Educational Research for the terms indicated:

For a term expiring September 30, 1979:
Carl H. Pforzheimer, Jr., of New York.
Wilson C. Riles, of California.

For a term expiring September 30, 1980:
Alonzo A. Crim, of Georgia.
Betsy Levin, of North Carolina.
Catherine C. Stimpson, of Washington.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

The following-named persons to be members of the National Commission on Libraries and Information Science for the terms indicated:

For a term expiring July 19, 1981:
Robert W. Burns, Jr., of Colorado.
Horace E. Tate, of Georgia.
For a term expiring July 19, 1982:
Joan Helene Gross, of New York.
Clara Stanton Jones, of Michigan.
Frances Healy Naftalin, of Minnesota.

NATIONAL ADVISORY COUNCIL ON WOMEN'S EDUCATIONAL PROGRAMS

The following-named persons to be members of the National Advisory Council on terms indicated:

For a term expiring May 8, 1980:
Eliza Macaulay Carney, of Arizona.
Gladys Gunn, of Ohio.
Kathleen Elaine Humphrey, of Idaho.
Paul Parks, of Massachusetts.
Bernice Sandler, of Maryland.
For a term expiring May 8, 1981:
Ellen Sherry Hoffman, of the District of Columbia.
J. Richard Rossie, of Tennessee.

The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.

NOMINATIONS PLACED ON THE SECRETARIES DESK IN THE AIRFORCE, ARMY, AND NAVY

Air Force nominations beginning John T. Reppart, to be major, and ending Donald M. Ford, to be lieutenant colonel, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 26, 1978.

Air Force nominations beginning Richard C. Besteder, to be captain, and ending James N. Zweigler, to be first lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 26, 1978.

The nomination of Col. William A. Orth, U.S. Air Force, to be Dean of the Faculty of the U.S. Air Force Academy, which nomination was received by the Senate and appeared in the CONGRESSIONAL RECORD on June 27, 1978.

Army nominations beginning John O. Blom, to be colonel, and ending Ann M. Millar, to be first lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on July 12, 1978.

Navy nominations beginning Virgil V. Moore IV, to be ensign, and ending Richmond B. Stoakes, to be commander, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on July 12, 1978.

Navy nominations beginning Philip M. Abbott, to be lieutenant (j.g.), and ending Ronald J. Zuber, to be lieutenant (j.g.), which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on July 12, 1978.

HOUSE OF REPRESENTATIVES—*Monday, August 7, 1978*

The House met at 12 o'clock noon.

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

Teach me Thy way, O Lord, and lead me in a plain path.—Psalms 27: 11.

O God of life and love, the leader of our pilgrim days, reveal to us the way we should take to lead our Nation toward a greater strength, a greater peace, and a greater unity of spirit that we in turn may be able to lead other nations toward the goals of strength, peace, and good will for all and among all. When the work is difficult, the way rough, and the wrong almost too much for us, hold us up and guide us in the ways of truth and goodness. So we pray that Thou will give us wisdom to see the way we should take, courage to walk in that way, and faith to leave the results to Thee.

We thank Thee for the life and ministry of Pope Paul VI. Grant unto him peace of soul and to all of us strength of spirit as we live through these sad days.

In the spirit of the Lord of life we pray. Amen.

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE 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. 10929) entitled "An act to authorize appropriations for fiscal year 1979 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons and for research, development, test and evaluation for the Armed Forces, to prescribe the authorized personnel strength for each active duty component and the Selected Reserve of each Reserve component of the Armed Forces and for civilian personnel of the Department of Defense, to authorize the military training student loads, to authorize appropriations for civil defense, and for other purposes."

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 12841. An act to prohibit the issuance of regulations on the taxation of fringe benefits, and for other purposes; and

H.R. 12927. An act making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1979, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 12927) entitled "An act making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1979, and for other purposes, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HUDDLESTON, Mr. MAGNUSON, Mr. JOHNSTON, Mr. INOUYE, Mr. SASSER, Mr. STEPHENS, Mr. YOUNG, and Mr. BELLMON to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 3025) entitled "An act to authorize appropriations for the Federal Election Commission for fiscal year 1979," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. PELL, Mr. CLARK, and Mr. GRIFFIN to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 3075) entitled "An act to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act, and for other purposes," agrees to a conference requested by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SPARKMAN, Mr. CHURCH, Mr. CLARK, Mr. BIDEN, Mr. MCGOVERN, Mr. CASE, Mr. JAVITS, Mr. PERCY, and Mr. BAKER to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendments of the House to the amendment of the Senate with an amendment to a bill of the House of the following title:

H.R. 10732. An act to authorize appropriations to carry out the Fishery Conservation and Management Act of 1976 during fiscal years 1979, 1980, and 1981.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 2796. An act to amend the Consumer Product Safety Act to extend the authorization of appropriations, and for other purposes;

S. 3119. An act to transfer certain real property of the United States to the District of Columbia Redevelopment Land Agency;

S. 3120. An act to enhance the flexibility of contractual authority of the Temporary Commission on Financial Oversight of the District of Columbia;

S. 3271. An act to amend the pilot project workfare provisions of the Food Stamp Act of 1977; and

S. 3272. An act to amend the Packers and Stockyards Act, 1921, and for other purposes.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar Day. The Clerk will call the first bill on the Consent Calendar.

AUTHORIZING CHANGE OF NAME OF A PUBLICATION OF THE U.S. NAVAL OBSERVATORY

The Clerk called the bill (H.R. 3532) to amend chapter 639 of title 10, United States Code, to enable the Secretary of the Navy to change the name of a publication of the Naval Observatory providing data for navigators and astronomers.

There being no objection, the Clerk read the bill as follows:

H.R. 3532

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7396(a) of title 10, United States Code, is amended by striking the words "in the American Ephemeris and Nautical Almanac".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING THE GOVERNOR OF THE STATE OF WYOMING TO EXHIBIT THE NAMEPLATE, SHIP'S BELL, AND SILVER SERVICE OF THE U.S.S. "WYOMING" WITHOUT RESTRICTION

The Clerk called the bill (H.R. 8471) to provide for the transfer and conveyance of the silver service of the U.S.S. *Wyoming* to the Wyoming State Museum, and for other purposes.

There being no objection, the Clerk read the bill as follows:

H.R. 8471

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of Public Law 397, Seventy-Ninth Congress (60 Stat. 234), is amended to read: "The Secretary of the Navy is hereby authorized and directed to transfer and convey to the Governor of Wyoming for exhibition, educational purposes, and use by the University of Wyoming, the nameplate and the ship's bell of the United States ship Wyoming, and for display by the Wyoming State Museum the silver service of the United States ship Wyoming.".

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:
That section 2 of the Act entitled "An Act to provide for the delivery of custody of certain articles of historic interest from the United States Ship Nevada and the United States Ship Wyoming to the State of Nevada and the State of Wyoming, respectively", approved June 8, 1946 (60 Stat. 234), is amended—

(1) by striking out the comma after "exhibition" and inserting in lieu thereof "and"; and

(2) by striking out ", and use by the University of Wyoming".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to authorize the Governor of the State of Wyoming to exhibit the nameplate, ship's bell, and silver service of the United States Ship Wyoming without restriction as to the place of such exhibition."

A motion to reconsider was laid on the table.

AUTHORIZING SALE OF CERTAIN NAVAL VESSELS TO REPUBLIC OF CHINA

The Clerk called the bill (H.R 13255) to approve the sale of certain naval vessels, and for other purposes.

There being no objection, the Clerk read the bill as follows:

H.R. 13255

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the President may sell, subject to such terms and conditions as he may determine and at a price not less than the value thereof in United States dollars, one oiler, one auxiliary repair dry dock, and one surveying ship to the Republic of China. All expenses involved in these transfers shall be charged to funds provided by the recipient government. The authority of the President to sell these vessels under this Act shall terminate two years after enactment of this Act.

With the following committee amendment:

Page 1, after line 11 add the following new section:

SEC. 2. Section 7307 of title 10, United States Code, relating to restrictions on disposal of naval vessels, is amended by adding at the end thereof the following new subsection—

"(c) In this section, 'naval vessel' means any vessel of a class carried on the Naval Vessel Register as a naval vessel.".

● Mr. BENNETT. Mr. Speaker, on Tuesday, July 18, the Armed Services Committee, a quorum being present, by voice vote and without objection, approved H.R. 13255, with an amendment, to be referred to the House with the recommendation for its approval.

H.R. 13255, an administration bill, would permit the sale of three overage naval vessels to the Republic of China. Two of the three ships are presently on lease to China—the 33-year-old survey ship and the 34-year-old floating drydock. The 36-year-old fleet oiler is presently in the U.S. inactive fleet.

The Auxiliary Repair Dry Dock is the *Windsor* (ARD–22), a 5,200-ton ship, that was put into service in April of 1944 at an acquisition cost of $3 million. It will be sold for $400,000.

The Surveying Ship is the *Keathley* (AGS–35), a 4,100-ton ship, that was put into service in March of 1945 at an acquisition cost of $2 million. It will be sold for $250,000.

The fleet oiler is the *Tappahanock* (AO–43), a 5,850-ton vessel, that was put into service in June of 1942 at an acquisition cost of $3,700,000. It will be sold for $600,000.

The sale of these ships to the Republic of China is in line with our national policy of supporting our allies by providing them with necessary equipment.

The amendment to the bill provides a definition of "naval vessel" for the Byrd amendment to section 7307 of title 10, United States Code. This is the section which now requires that naval vessels under 20 years old or over 3,000 tons be transferred only pursuant to legislation, and that naval vessels over 20 years old and under 3,000 tons be transferred only after written notice of the proposed transfer lies before the Armed Services Committees of the House and Senate for 30 days of continuous congressional session. The definition would limit "naval vessels" to those vessels of a class carried on the Naval Vessel Register as naval vessels. This definition removes any question that craft such as captain's gigs and sewage barges which are also purchased with shipbuilding and conversion, Navy (SCN) funds are not intended to be covered by the requirements of section 7307 of title 10, United States Code.

I ask unanimous consent that the House approve H.R. 13255, as amended.●

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BROADENING ELIGIBILITY FOR THE JUNIOR RESERVE OFFICERS' TRAINING CORPS PROGRAM

The Clerk called the bill (H.R. 7161) to amend title 10, United States Code, to allow nationals, as well as citizens, of the United States to participate in the Junior Reserve Officers' Training Corps program.

There being no objection, the Clerk read the bill as follows:

H.R. 7161

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2031(b)(1) of title 10, United States Code, is amended by inserting "or nationals" immediately after "citizens".

● Mr. TREEN. Mr. Speaker, the purpose of H.R. 7161 is to allow nationals, as well as citizens, of the United States to participate in Junior Reserve Officers' Training Corps programs.

Under present law, Junior ROTC training programs are limited to U.S. citizens. The effect of this bill will be to permit residents of American Samoa to be eligible for the Junior ROTC program. Persons born in American Samoa are not citizens but are nationals of the United States. The Immigration and Nationality Act of 1952 (Public Law 414, June 27, 1952) defines a national of the United States as a person who, though not a citizen of the United States, owes permanent allegiance to the United States.

Nationals from American Samoa have served in World War I and II, in Korea, and in Vietnam where 19 men were killed and 51 others wounded. These were all volunteers. Over 200 persons volunteer each year for enlistment in the Armed Forces of the United States.

The Department of Defense heartily endorses this bill.

Mr. Speaker, I recommend the passage of this bill.●

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OLIN E. TEAGUE VETERANS' CENTER

The Clerk called the bill (H.R. 11579) to designate the Veterans' Administration hospital located at 1901 South First Street, Temple, Tex., as the "Olin E. Teague Veterans' Hospital."

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HAMMERSCHMIDT. Mr. Speaker, reserving the right to object, and I shall not object, I rise in support of H.R. 11579.

This measure proposes to honor a man who has contributed more to the perfection of a sound structure of veterans' benefits than any other person in the Congress. The bill will accomplish this worthy purpose by naming the Veterans' Administration hospital in Temple, Tex., as the "Olin E. Teague Veterans' Center."

Ordinarily, Mr. Speaker, a person has passed on before the recognition that he or she has earned is bestowed. This measure affords the Congress an opportunity to recognize, on behalf of a grateful veteran population, the outstanding contributions of "TIGER" TEAGUE while he is very much alive and able to witness the high regard in which he is held.

"TIGER" TEAGUE, Mr. Speaker, has been a member of the Committee on Veterans' Affairs since 1946 when he came to the Congress. During this period, he authored more veterans' legislation than any other man in history.

Chairman of the committee for 18 years, "TIGER," in 1973, relinquished the chairmanship. He refused, however, to relinquish his intense interest in veterans' legislation and still serves as chairman of the Education Subcommittee.

Distinguished in war, TIGER TEAGUE is one of the most decorated Members in the U.S. Congress. His personal dedication to the successful public service career that followed are reflected in the many plaques and citations from veterans organizations and civic groups that adorn the walls of his office.

Many individuals have been called "Mr. Veteran" but no one is more deserving of this accolade than this giant among men, and no one is more deserving of having a veterans' hospital carry his name than is our own TIGER TEAGUE.

Mr. Speaker, having said this, I cannot resist pointing with pride to the fact that TIGER was raised in the beautiful community of Mena, Ark., in my congressional district. He undoubtedly acquired the traits that have served him and our Nation so well as a youth in Mena.

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

Mr. HAMMERSCHMIDT. I yield to the gentleman from Texas.

Mr. ROBERTS. Mr. Speaker, This bill would name the Veterans' Administration Center at Temple, Tex., as the "Olin E. Teague Veterans' Center," effective January 4, 1979. The bill is cosponsored by every member of the Texas delegation with the exception of Mr. TEAGUE, and as the gentleman knows, every member of the Committee on Veterans' Affairs has cosponsored an identical bill.

The measure is supported by the veterans' organizations in the State of Texas, as well as the National Office of each organization.

The center in Temple has significant meaning in that, following his wounds in combat in World War II, Mr. TEAGUE spent 2 years in this facility recovering from his wounds; therefore, it is appropriate that the Temple VA Center bear his name. I personally feel we would be justified in naming any VA facility after the gentleman from Texas. No other Member of the Congress can compare with the record accomplished by the gentleman from Texas in providing benefits and services for all of our veterans and their dependents. Thanks to him we have programs for those serving in defense of our country far superior than any other country in the world.

So that my colleagues will be aware of the distinguished service record and some of the accomplishments of the gentleman from Texas, there follows excerpts from the committee report accompanying the bill:

Mr. Teague was a patient in the then McCloskey Army Hospital at Temple, Tex., for 2 years recovering from severe combat wounds suffered during World War II, wounds which have continued to this day to cause suffering, pain, and inconvenience, the latest being the partial amputation of one limb.

Mr. Teague, after serving in the National Guard for 3 years as an enlisted man, was commissioned a second lieutenant early in World War II and commanded the First Battalion, 314th Infantry Regiment of the 79th Division. He was wounded a number of times, decorated 11 times, and is one of the most decorated combat veterans of World War II ever to serve in the House of Representatives. He was discharged as a colonel of the infantry in September of 1946. At the time of his discharge, he had been awarded the following decorations:

Silver Star with two clusters;
Bronze Star with two clusters;
Purple Heart with two clusters;
Combat Infantryman's Badge;
Army Commendation Ribbon;
French Croix de Guerre;
French Fourragere; and
Presidential Unit Citation.

He was chairman of a select committee which investigated the abuses of the World War II GI bill and led to corrective legislation largely embodied in the Korean GI bill which has remained the concept and program for paying education assistance to veterans down to the present time.

In addition to being deeply involved in the entire medical program of the Veterans' Administration, and displaying leadership in obtaining increased appropriations for this program primarily in the field of veterans' care and research, he has interested himself in the pay and perquisites of doctors, nurses, and paramedical personnel serving in the Department of Medicine and Surgery.

The legislation conceived, supported and authorized by Mr. Teague reads like a blue book of benefits for the past 20 years. In addition to the Korean GI Bill of Rights and the Vietnam era education program, he sponsored—

The War Orphans Educational Assistance Act;

Numerous bills increasing rates of compensation for service-connected disabled veterans and their families;

Pensions;

Vocational rehabilitation programs;

Research in spinal cord injury;

Medical education;

Nursing homes for veterans, both in the VA and in the community;

Pensions to Medal of Honor holders;

Liberalization of dental care;

Codification of all VA laws into Title 38, United States Code;

Requiring the Veterans' Administration to use independent medical experts in finally determining service-connection of a particular disease;

Formulation of a Statement of the Case to make the VA's decision more understandable to the veteran; and

Other laws too numerous to mention.

Anyone who has ever seen the gentleman from Texas with a group of individuals who served under him as enlisted men would never have any doubts as to the leadership, affection, and trust that resided in Mr. Teague during the time of his service as a combat infantry officer in World War II. The gentleman personally contacted the families of more than 100 men from his outfit who lost their lives in combat.

The committee feels that no medical facility was ever more appropriately named than the one proposed to be designated by this bill.

Mr. TEAGUE will be retiring from the Congress at the close of this session and he is going to be sorely missed. Tributes continue to pour in from individuals and organizations throughout the country in praise of the gentleman's accomplishments during his 32 years in the Congress. The Veterans of Foreign Wars at its 78th National Convention in Minneapolis, Minn., August 19 through 26, 1977, adopted a resolution to name the Veterans' Administration Hospital in Washington, D.C., the "Olin E. Teague Veterans' Hospital." There follows a copy of an article from the June–July 1978 issue of the V.F.W. magazine, expressing the feelings this organization has for this great man:

TEAGUE RETIRING FROM HOUSE

When the 96th Congress convenes, one House member who will be missing for the first time since the end of World War II is Texas' Olin E. (Tiger) Teague who has carved a record for himself as one of the veterans' best legislative friends.

Teague is resigning from the House at the end of his present term because of ill health brought on by the wounds he suffered during World War II as a battalion commander in the 314th Infantry of the 79th Division.

He spent two years in an Army hospital recovering from his injuries.

Commissioned on his graduation from Texas A & M, Teague volunteered for the Army in 1940 after serving three years as an enlisted man in the National Guard. During World War II he was awarded the Silver Star, Bronze Star and Purple Heart three times each. He also was decorated with the French Croix de Guerre and fourragere.

He was discharged as an infantry colonel in 1946 to take his seat in the 79th Congress.

From the 84th Congress through the 92nd, he chaired the Veterans' Affairs Committee, working closely with the V.F.W. to provide the veterans of all wars with benefits tailored to their special needs.

He resigned his chairmanship of that committee to head the Space and Astronautics Committee during the 93rd Congress and continued in that leadership role through the 95th. It has since been named the Science and Technology Committee. Meanwhile, he did not let his interest in veterans' concerns lapse, for he retained his membership on the Veterans' Affairs Committee as senior majority member. He chairs the Education and Training Subcommittee.

Teague also has served on a variety of Congressional boards and commissions, including the Board of Visitors to the U.S. Military Academy at West Point from 1955 to 1971.

One of the highlights of his Congressional career came when he was honored by the V.F.W. at the 1969 Washington Conference with the annual Congressional Award. At that time he was its sixth honoree.

In his acceptance speech, he noted that "there are a lot of problems in America but there are a lot more things that are right with America than there are that are wrong."

"Our system demands that we seek out and identify our problems," he continued. "It is true that there are some who still suffer the indignities of inequality and the shame of injustice. We must forever and with all our energy continue to seek to correct these injustices and inequalities. We must always strive to improve the quality of life for all our people, but sometimes it seems to me that we become so engrossed in these problems, so centered on what is wrong, that we seldom acknowledge what is right."

Since the presentation of his award occurred at the height of anti-Vietnam War rioting and student protests, his words came as a welcome antidote.

Teague, a supporter of American efforts in Vietnam, announced at the 1968 V.F.W. National Convention in Detroit that he would not support a Democratic presidential nominee who would back away from the U.S. commitment in Southeast Asia.

Teague was one of the first in Congress to recognize the plight of American prisoners of the North Vietnamese and Viet Cong, as well as those missing in action.

To underscore the tragedy of those men, he brought the wives of four of them to the 1969 V.F.W. National Convention in Philadelphia and in 1970 to Miami Beach to tell their heartbreaking story and to arouse public opinion on that issue.

Throughout his Congressional career, Teague participated in many other V.F.W. National Conventions to bring delegates up to date on the status of veterans' legislation, to criticize VA shortcomings in fulfilling its missions of assistance to veterans and to advocate further veterans' benefits.

To enable V.F.W. members to demonstrate their gratitude for what Rep. Teague has been able to accomplish for veterans during his 32 years in the House of Representatives, a scholarship has been established in his honor at Texas A. & M. University to which they may contribute.

The first $1,000 for the Olin E. Teague Scholarship Fund was given by the V.F.W. during the Washington Conference through Commander-in-Chief John Wasylik.

Contributions may be sent to the Olin E. Teague Scholarship Fund in care of the Quartermaster General, V.F.W. National Headquarters, Kansas City, Mo. 64111.

In a recent tribute to Mr. TEAGUE, the national commander of the Disabled American Veterans, Oliver E. Meadows, said:

No one can doubt that Tiger Teague is one of the greatest leaders of modern times. A life member of the DAV, he has done more for disabled veterans than any single person in our Nation. As we wish him an enjoyable and well-deserved retirement, we acknowledge a debt to him so great it can never be repaid.

The American Legion has long recognized Mr. TEAGUE's greatness. There follows a statement released by that organization on April 6, 1978:

On the occasion of his impending retirement, The American Legion honored Congressman Olin E. Teague with a reception held April 4th at the Legion's Headquarters in Washington, D.C. In attendance were a variety of Congressional figures, including a large representation of legislators and government administrators who have worked with Mr. Teague during his lengthy career in Congress in support of the American veteran and G.I. rights.

"Tiger" Teague has represented the Sixth District of Texas for more than 30 years and was head of the House Committee on Veterans' Affairs for almost two decades before assuming his present position as chairman of the Science and Technology Comamittee. He will retire from Congress at the end of the current term.

Mr. Teague is the highest decorated member of Congress, and among his eleven citations are the Silver Star with two clusters, Bronze Star with two clusters, Purple Heart with two clusters, Combat Infantryman's Badge, Army Commendation Ribbon, and French Croix de Guerre with palm.

The American Legion previously honored Mr. Teague in 1970 with its highest award—the Distinguished Service Award. At this week's reception, the Congressman received a plaque from the National Commander of The American Legion, Robert Charles Smith. Inscribed on the tribute is a fitting summary of Mr. Teague's life: "Presented . . . in recognition of outstanding service to his fellow man as Soldier, Congressman and Humanitarian."

AMVETS, the Paralyzed Veterans of America, the Veterans of World War I, Inc., and others have paid similar tributes.

Mr. Speaker, the man we honor today is a giant. He deserves to be so recognized for his many contributions to the citizen soldier both in war and peace. I'm sure the House will unanimously approve the reported bill.

Mr. HAMMERSCHMIDT. Mr. Speaker, I withdraw my reservation of objection.

● Mr. ADDABBO. Mr. Speaker, I can think of no better way to demonstrate to the veterans of this Nation our deep appreciation to them, and at the same time pay tribute to one of the outstanding Members of the House who retires this year, than by naming the Temple, Tex., VA hospital after our colleague, OLIN (TIGER) TEAGUE.

Both in deed as an Army officer who was wounded numerous times and decorated for bravery 11 times, and as a senior Member of Congress and one whose primary concern was the treatment of the Nation's veterans. TIGER has carved a unique place for himself in the minds of those who have served this Nation in uniform in times of war and in peace.

There has never served in the Congress a more diligent advocate of the rights of veterans than TIGER TEAGUE. Without him, the Korean veterans would have had no benefits whatsoever. For 14 years, he served as chairman of the House Veterans' Affairs Committee and I think it can be said that no one else understood so well either the problems or the aspirations of the veteran.

Obviously, there is much more to this strong-willed and hard-working Texas Congressman than just his interests in the problems of the veteran. We know the contributions he has made to science through the chairmanship of the Science and Technology Committee. We know him for stalwart honesty in his service on the Committee on Standards of Official Conduct. We know him to be a good friend, a proud Texan, a great American, a strong and principled advocate of the Democratic Party, active in the party's councils.

But, because of his own background, because of the personal knowledge of the horrors of war and the pain and suffering that come to so many as a result of the battlefield, that TIGER developed his special understanding of the plight of the veteran and the need for special counseling and assistance. To many, the need of the veteran was an academic exercise to be considered impartially. To TIGER, the need of the veteran was a cause, near to holy, and he pursued that cause with devotion from the day in 1946 when he entered this House until the present.

We are going to miss this good colleague of ours next year. But it is of some comfort to know this hospital will carry forward forever his good name. I thank you.●

● Mr. MOTTL. Mr. Speaker, I rise in support of H.R. 11579, a bill to designate the veterans' administration hospital in Temple, Tex., as the "Olin E. Teague Veterans Center."

It was my great fortune to be elected to serve in the House Veterans' Affairs Committee when I first came to Congress. Among my subcommittees is the Education and Training Subcommittee of which TIGER TEAGUE is the chairman. I have learned a great deal from Mr. TEAGUE, and I know firsthand the valuable contributions he has made and is making to veterans and their dependents.

Most impressive to me is the fact that TIGER TEAGUE, a highly decorated veteran of World War II, came home from that war on a stretcher. In fact, he campaigned for Congress in 1946 while still confined in a bed in the hospital which this bill seeks to have renamed in his honor.

Many Members may not realize that TIGER TEAGUE's wounds never completely healed. His right leg was badly shattered in 1945 by gunshot wounds inflicted by the enemy in Europe. This was the third time that TIGER TEAGUE was wounded,

and it was so serious that he was declared no longer fit for military duty and was subsequently separated from the service.

Over the years TIGER TEAGUE learned to live with his shortened leg, but the malady never went away. When I came to Congress in 1974, I learned his leg was causing increasingly acute pain and that drastic surgery would be necessary. TIGER finally consented to have his leg amputated earlier this year at Bethesda Naval Hospital. I mention this because I believe that Mr. TEAGUE's impressive war record and shattering wounds have provided a basis for understanding what war is all about and relating to the problems of veterans in their return to civilian life.

Mr. Speaker, I think it is most fitting and proper, therefore, that this hospital from which TIGER TEAGUE launched his most distinguished career should be named the "Olin E. Teague Veterans Center."●

● Mr. MONTGOMERY. Mr. Speaker, I rise in strong support of the bill and urge its passage by my colleagues. It is extremely fitting that we should be considering legislation to name the veterans' hospital in Temple, Tex., in honor of our esteemed colleague, OLIN "TIGER" TEAGUE. TIGER TEAGUE more than any other Member of this body, past or presetn, symbolizes the good which has been accomplished on behalf of our Nation's former servicemen and women.

During the 14 years he served as chairman of the House Veterans' Affairs Committee he was the inspiration and guiding light in pushing through much needed legislation to improve benefits for our veterans. We in this Congress and all of America's veterans owe so much to TIGER TEAGUE for his dedication and leadership. Naming the hospital in Temple after Chairman TEAGUE is just one of many ways we can show the great appreciation and deep friendship we have for this outstanding colleague.

We shall all miss the contributions of TIGER when he retires at the end of the 95th Congress, but at the same time we realize how much we have benefited from knowing him as a friend and colleague. He has been an inspiration to us and left a record of achievement which shall be long remembered.●

● Mrs. HECKLER. Mr. Speaker, I rise in support of H.R. 11579, a bill to name the Veterans' Administration hospital in Temple, Tex., after the distinguished gentleman from Texas, the Honorable OLIN E. TEAGUE.

It has been said that persons of exceptional accomplishments should be duly rewarded by being honored in their lifetime. I wholeheartedly share this view and am most pleased to be acting on the legislation now before this body.

I have had the great privilege and honor to have served with Congressman TEAGUE on the Committee of Veterans' Affairs while he was its widely respected chairman.

After he assumed the chairmanship of the Committee on Science and Technology, I continued to serve with Congressman TEAGUE as ranking minority member of the Subcommittee on Education and Training while he remained chairman of that important subcommittee.

During his distinguished tenure as chairman of the Committee on Science and Technology, Congressman TEAGUE was instrumental in leading America into the space age. His leadership of that important committee was a strong force in developing the advanced technology that has been central to our Nation's growth and economic and military strength.

As a young veteran and Congressman, "TIGER" TEAGUE imaginatively and boldly authored the GI bill of educational rights; the war orphans scholarship program; and the Vietnam war education program. He created the VA nursing care program; the servicemen's group life insurance program and, through his energy and skill, developed the medical scholarship program.

"TIGER" was the driving force behind the refashioning of the dependency and indemnity compensation program and he devised the outpatient drug program.

"TIGER" TEAGUE particularly endeared himself to the millions of World War II veterans. The following quote clearly testifies to his unparallel standing. The remark, made just last month by Oliver E. Meadows, former staff director of the Veterans' Committee for many years and now national commander of the Disabled American Veterans, notes that: "A life member of the Disabled American Veterans, 'TIGER' TEAGUE has done more for disabled veterans than any single person in our Nation."

Mr. Speaker, as one who has served with "TIGER" as a ranking member of the Committee on Veterans' Affairs, and as one who known personally his sense of dedication, commitment, and fairness, I wish him a richly rewarding retirement. The most deserving honor we in the Congress can offer our colleague is to carry on his dedication on the Veterans' Committee and on this floor on the behalf of our deserving veterans, their widows and their orphans.

Thank you, Mr. Speaker.●

GENERAL LEAVE

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 11579.

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

There was no objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill as follows:

H.R. 11579

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Veterans' Administration hospital located at 1901 South First Street, Temple, Texas, shall hereafter be known and designated as the "Olin E. Teague Veterans' Hospital". Any reference to such hospital in any law, regulation, document, or other paper of the United States shall be deemed a reference to it as the "Olin E. Teague Veterans' Hospital".

With the following committee amendments:

Page 1, line 3, strike out "hospital" and insert in lieu thereof "center".

Page 1, line 6, strike out "Hospital" and insert in lieu thereof "Center".

Page 1, line 6, strike out "hospital" and insert in lieu thereof "center".

Page 1, line 8, strike out "a reference to it" and insert in lieu thereof "to be a reference to such center".

Page 2, line 1, strike out "Hospital" and insert in lieu thereof "Center".

Page 2, after line 2, add the following new section:

SEC. 2. This Act shall take effect on January 4, 1979.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to designate the Veterans' Administration center located at 1901 South First Street, Temple, Tex., as the "Olin E. Teague Veterans' Center".

A motion to reconsider was laid on the table.

AMENDING THE ACT INCORPORATING THE AMERICAN LEGION SO AS TO REDEFINE ELIGIBILITY FOR MEMBERSHIP THEREIN

The Clerk called the Senate bill (S. 2424) to amend the act incorporating the American Legion so as to redefine eligibility for membership therein.

There being no objection, the Clerk read the Senate bill as follows:

S. 2424

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5 of the Act entitled "An Act to incorporate the American Legion", approved September 16, 1919 (41 Stat. 285; 36 U.S.C. 45), is hereby amended to read as follows:

"SEC. 5. No person shall be a member of this corporation unless he has served in the naval or military services of the United States at some time during any of the following periods: April 6, 1917, to November 11, 1918; December 7, 1941 to December 31, 1946; June 25, 1950, to January 31, 1955; August 5, 1964, to May 7, 1975; all dates inclusive, or who, being a citizen of the United States at the time of entry therein, served in the military or naval service of any of the governments associated with the United States during said wars or hostilities: *Provided, however,* That such person shall have an honorable discharge or separation from such service or continues to serve honorably after any of the aforesaid terminal dates.".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING THE FEDERAL CHARTER OF THE BOY SCOUTS OF AMERICA

The Clerk called the bill (H.R. 11956) to amend the Federal charter of the Boy Scouts of America.

There being no objection, the Clerk read the bill as follows:

H.R. 11956

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to incorporate the Boy Scouts of America," approved June 15, 1916 (39 Stat. 227; 36 U.S.C. 21), is amended by adding the following new section:

"SEC. 10. That the annual report of the

Boy Scouts of the United States of America shall be printed each year, with accompanying illustrations, as a separate House document of the session of the Congress to which such report may be submitted.".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL ARCHIVES TRUST FUND BOARD

The Clerk called the bill (H.R. 12915) to amend section 2301 of title 44, relating to the National Archives Trust Fund Board.

There being no objection, the Clerk read the bill as follows:

H.R. 12915

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 2301 of title 44, United States Code, is amended to read as follows: "The National Archives Trust Fund Board shall consist of the Archivist of the United States, as Chairman, and the Secretary of the Treasury and the Chairman of the National Endownment for the Humanities.".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ABOLITION OF FEDERAL RECORDS COUNCIL

The Clerk called the bill (H.R. 8112) to repeal chapter 27 of title 44, United States Code.

There being no objection, the Clerk read the bill as follows:

H.R. 8112

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Records Council is hereby abolished and that chapter 27 of title 44, United States Code, is repealed.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

That the Federal Records Council is hereby abolished.

SEC. 2. (a) Chapter 27 of title 44, United States Code, is repealed.

(b) The table of chapters of title 44, United States Code, is amended by striking out the item pertaining to chapter 27.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. This concludes the call of the eligible bills on the Consent Calendar.

TRIBUTE TO THE LATE POPE PAUL VI

(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, I take this time to express what I am sure must be the great sense of sadness on the part of all Americans, Roman Catholic and non-Catholic alike, on the death yesterday of His Holiness Pope Paul VI.

During his 15 years of service in the papacy, Pope Paul worked devotedly in the cause of world peace and the cause of justice for the oppressed. Pope Paul was an outstanding leader of the church during a time of turbulent change.

● Mr. HANLEY. Mr. Speaker, it is with profound sadness that I stand today to pay tribute to Pope Paul VI.

On September 29, 1973, I had the high honor and privilege of an audience with Pope Paul at the Vatican. I found him to be passionately longing for peace on Earth and genuinely concerned with the well-being of all peoples of the world. For me, Pope Paul has been a source of great moral and spiritual inspiration.

As the most traveled Pope in history, Paul exemplified his role of pilgrim, carrying his message of love and peace to the far corners of the Earth. His 15 years as spiritual leader of the world's 600 million Roman Catholics spanned an era of innovation and conflict.

Pope Paul picked up the reins of the Roman Catholic Church at a time of dissent and demand for dialog. He quickly found himself forced into the role of a mediator between those in the church who wanted change and those who opposed it. His skill was that he was able to keep extremists on the right and the left from splitting away from Catholicism, while, at the same time, he greatly encouraged missionaries and clergy in Third World countries who were fighting for justice and human rights against their totalitarian governments.

Through it all, Pope Paul guided with a firm, steady hand, not only bridging the schisms between Catholics, but improving the relations of the Catholic Church with the other religions of the world.

This morning's Syracuse Post-Standard wrote:

Pope Paul was a compassionate man. He suffered from the dissent within the Church, lamented the division and deplored the disunity. He feared that some of the dissent and disobedience posed a threat to destroy the Church. But he met every challenge head-on. By and large, Pope Paul did a difficult job well for 15 years. He assumed the immense responsibility for radical change within the Church that was decreed by those who preceded him. Pope Paul VI led the Church through one of its most difficult periods in history. He did it so well the task of his successor will be immeasurably easier. Pope Paul was truly a good and faithful servant.

In the words of Msgr. Robert Lavin of Syracuse:

Pope Paul walked with one foot in tradition and one foot in progress. He always tried to assume a moderate role. Pope John XXIII was the innovator, but it was up to Pope Paul to bring about, slowly, patiently, prudently, the changes in Church liturgy originated by John. Time will bear him out as a great leader.●

● Mr. GILMAN. Mr. Speaker, Sunday, August 6, 1978, was a day of sorrow for millions of people throughout the world, both Catholic and non-Catholic, for Sunday saw the passing of a true "Prince of Peace," Pope Paul VI.

Pope Paul was a man who at an early age committed his life to love and service of humanity. His skills as a diplomat, his effectiveness as an administrator, and his deep-rooted humanitarian concerns early brought him attention from his superiors within the church hierarchy. As Archbishop of Milan, he gained a reputation as the champion of the working classes and the downtrodden.

In 1958, upon his accession to the Papal Throne, Pope John XXIII elevated then-Archbishop Montini to the College of Cardinals in recognition of his talents—the first Cardinal created by Pope John. When the sainted Pope John passed on in the summer of 1963, Cardinal Montini was viewed by many as the logical choice to carry forward the revolution that John had begun. Thus, it was no surprise when Cardinal Montini was elevated to the pontificate on a very early ballot. Emulating his predecessor, he took the name Paul—like John, a name not used by a Pope for centuries.

Never in the 2,000 year history of the seat of Rome had a Pope taken office in such trying times. Pope Paul met the contingencies of living in a jet-age world without abandoning the centuries-old foundations of his faith. In his quest for peace, Paul became not only the first Pope to leave Italy during his reign, but the first to visit every inhabited continent in the world.

One of the most stirring moments of the 20th-century came in 1965, when this holy man stood at the podium of the United Nations and voiced his plea: "Never again war."

But despite the temptations of living in a commercial age, Pope Paul truly remained the "rock" of his church, never deviating from what he believed to be the basic teachings of morality in Judeao-Christian tradition. Perhaps the most significant aspect of this holy man was the fact that, despite his receiving probably more criticism than any Pope in modern times from the members of his own church—both the liberals, who felt he was too old-fashioned, and the conservatives, who felt he was moving too fast—he never reacted to criticism by rebuking his detractors. In 1968, he was quoted as saying:

One must not seek to conquer his questioner, but to convince him. In a sane and holy discussion there is no "master" and no "slave" * * * but two servants of the truth.

Along with my family, I personally had the honor of an audience with the Pope in 1973, and was impressed with the humility, the insight, and the compassion on this servant of God.

Mr. Speaker, it is indeed benefiting that the Congress note its condolences in memorializing the death of the "Prince of Peace", Pope Paul VI.●

● Mr. OBERSTAR. Mr. Speaker, throughout the world, men and women of all faiths mourn the loss of a servant of God and mankind who led the Roman Catholic Church through the tumult of the last 15 years.

Following the death of Pope Paul VI yesterday, millions of people across the world are focusing on the enormous accomplishments of his 15-year papacy.

He ascended to the papacy at a time when the reforms and the ecumenical spirit of Pope John XXIII had opened a new era in the history of the church.

In June 1963, the mission of John XXIII fell to Pope Paul VI. It was he who was to lead the church through the years of upheaval and change which confronted all institutions and which threatened the very foundations of the church.

Pope Paul infused the church with his vision that the church must be at once part of the modern world and yet steadfast in its adherence to the traditional teachings of its two millenia history. The church must be both contemporary and timeless.

It is upon this timelessness of its teachings that the universality of the church is founded uniting people of all nationalities, races, and political creeds and linking those of one generation with their forefathers and their descendants.

The task facing Pope Paul as he began his papacy in 1963 was enormous. Pope John had lived to convene only one session of Vatican II. That universal conclave presented a tremendous challenge to a worldwide church held together not by nationalism and self-interest but by a common faith and tradition.

The universal church was threatened by the same forces of disunity—nationalism, economic competition, and ideological confrontation—which threatened the secular world.

Pope Paul VI became a figure of conciliation. His papacy became a tireless crusade for world peace.

He was the first Pope in modern times to travel outside of Italy. His journeys throughout the world represented his commitment to peace and his recognition of the emergence of the Third World.

The full significance of the papacy of Pope Paul will not likely be known during our lifetime. This complex man reigned at a time when no leader—spiritual or temporal—could escape criticism. He reigned during the most difficult of times. Until the end of his life, he carried an enormous burden abjuring abdication with the admonition, "Kings may abdicate; popes may not." ●

● Mr. FRENZEL. Mr. Speaker, I join with hundreds of million of people throughout the world in mourning the passing of Pope Paul VI. Even people who barely knew of him, know that his passing means that a strong voice for peace and for human rights has been stilled.

Pope Paul was, of course, best known for guiding the Second Vatican Council to its historic and successful conclusion but he was also known as a friend of suffering people everywhere. A scholarly, unassuming man, he nonetheleless commanded the respect of the leaders of the greatest nations of the world.

Pope Paul will be remembered, and missed, both as a great spiritual leader and as a champion for the temporal needs of people to be free, to be fed, and to be at peace.●

● Mr. FARY. Mr. Speaker, it is with a great deal of sorrow and loss that yesterday I learned of the untimely passing of one of modern history's greatest religious leaders—Pope Paul VI, who, for past 15 years, has been the spiritual head of the Roman Catholic Church. His unswerving commitment to the ideals of peace and compassion, which underscored his pontificate, served as an inspiration to us all in these tumuluous times of political and moral upheaval.

Pope Paul VI, as 263d occupant of the Throne of St. Peter, had served as Pope since June 21, 1963 and whose reign came at a critical time when persuasive influence and strong leadership was needed to guide the Catholic Church through an unprecedented period of reforms. These reforms were brought forth as a result of the Second Vatican Council, convened by the late pontiff's predecessor, John XXIII and brought to a conclusion by Pope Paul. Under his guidance, the Second Vatican Council instituted major changes in the liturgy and organization of the Roman Catholic Church and also sought to improve relations with Protestant and Eastern Orthodox Christians.

As a result of the council's reforms, Pope Paul formulated new positions on ecumanism and institued the greatest liturgical changes in centuries, including dropping the use of Latin mass in favor of the use of local languages. However, loyal to his theological convictions, Pope Paul vigorously resisted pressures to change traditional teachings on birth control, priestly celibacy, and the exclusion of women from the priesthood.

It is on the issue of birth control that Pope Paul may best be remembered, for in 1967, he issued an encyclical that emphasized the church's opposition to artificial means of birth control. Rather than yield to contemporary social or theological arguments in favor of lifting the ban, the Pope maintained the view of traditional Catholic thought that artificial birth control was inconsistent with the teachings of Christ.

This same vein of thought prevailed in 1977 when Pope Paul approved a statement by the congregation for the doctrine of the faith, which upheld the church's policy of refusing to ordain women to the priesthood, citing as justification that Christ was a man, and as such, female priests were unthinkable.

While the Pope's decisions on birth control and the ordination of women left many church progressives disgruntled his human rights stand and pleas on behalf of the world's poor and oppressed won him the respect and support from all elements of the church. He defined his ideas on social justice in 1955, before his elevation to the papacy, when he declared,

> No man must lack bread, a roof over his head, clothing or work. All who guide politics and economics must, in honor, make every effort to see that this aim is reached.

He further elaborated on this in his encyclical, "On the Development of Peoples," issued in March 1967, in which he said:

> The poor nations remain poor while the rich ones become still richer. The very life of poor nations, civil peace in developing countries, and world peace are at stake. We must make haste. Too many are suffering.

Characteristically, Pope Paul used his journeys to foreign lands to dramatize the need for social justice. During his 1964 trip to India he entered a poor district of Bombay and wept at the abject poverty. Four years later, he stood before a group of peasants in a Colombian cow pasture and, while urging them to shun violence, pledged to "continue to denounce unjust economic inequalities between rich and poor and abuses against you and the community."

Mr. Speaker, I could go on and on about the late Pope's deeds and accomplishments, but I think the point of this eulogy is clear. That not only was this magnificent man deeply concerned about the moral and physical well-being of his 550 million fellow Roman Catholics, but the vast multitudes of non-Catholics as well. For his was a vision that one day we could all walk together as equals, without hate, without poverty, without prejudices that cloud our minds. I share his dreams and solemnly pray that one day those dreams will be realized.●

● Mr. SOLARZ. Mr. Speaker, I was deeply saddened to learn the news of the unfortunate death of Pope Paul VI, a man whose entire life was an inspiration to men and women of good will throughout the world. As an apostle of peace and a champion of the oppressed, the Pope was a living symbol of courage and compassion.

A man of unassuming presence, his humility and humanity was epitomized when he offered himself in exchange for the hostages held captive by Palestinian terrorists in Mogadishu, Somalia. And again last May, in an attempt to save the life of Aldo Moro, he implored the Red Brigade to free the former Italian prime minister "not so much because of my humble and loving intercession, but by virtue of his dignity as a common brother of humanity."

During his decade and a half pontificate, Paul VI extolled the need for peace, justice, civil and human rights. Internationally minded, he took his message to the people of the United States, India, Africa, the Middle East and many other parts of the world. He served as a clear, untiring voice of principle in the midst of a world in tumultuous change.

Two years ago, I had the rare privilege of having an audience with Pope Paul and I came away convicted of his good and gentle nature. The Pope spoke movingly about America's responsibility in the world and the extent to which we could be a powerful force for the establishment of a more moral international order. He implored us not to turn our backs on the poor and downtrodden and to remember that the forces of righteousness were heavily dependent on our willingness to continue playing a constructive role in international affairs.

It was perhaps the most moving and memorable moment of my life and I only hope that we can live up to the high ideals he so eloquently expressed and which his entire life so effectively embodied.●

● Mr. RODINO. Mr. Speaker, today the world mourns the passing of one of our

greatest leaders. I am deeply saddened by the loss of Pope Paul VI, who spent his life in fervent appeal for peace and human progress.

Paul provided the Catholic Church with strong leadership during a difficult period of transition. When he was elected Pope in 1963, he was determined to carry out the Second Vatican Council, which was begun by Pope John XXIII. Paul took the church on the road to change, while upholding its traditions.

Mr. Speaker, people of every religion came to know and appreciate this great man, because he took a special interest in bringing people from all nations together. Truly a "Pilgrim of Peace," Paul traveled to every continent in the world to meet with leaders of many different faiths. No other modern Pope had attempted such an ambitious venture of good will. His universal message of peace and understanding was a powerful antidote to the disagreements and tensions between the various peoples of the world.

My wife and I were privileged to have met Pope Paul during a visit to Rome. We felt his kindness and compassion, which many other Americans sensed when he visited our country in 1965 and said mass at Yankee Stadium in New York. His devotion to a mission of worldwide peace was epitomized in his speech to the United Nations, where he told the delegates from the nations of the world: "No more war—war never again." Paul once said that he considered peace among nations to be the essence of religion. He never lost sight of his mission.

His travels gave him a special empathy for the poor and disadvantaged peoples of the world. As an activist Pope, Paul spoke out for cooperation among nations to rid the world of poverty and disease. During his years as Archbishop of Milan, he was known as "the workers' archbishop," and as Pope he made his concern felt in every corner of the Earth. Paul once said that it was his duty to preach "the gospel of reason and justice." Mr. Speaker, in preaching that gospel Pope Paul provided all the peoples of the world with a powerful voice for peace and hope for the human spirit. We all deeply mourn the loss of this great and holy man.●

● Mr. WOLFF. Mr. Speaker, I am deepful mournful over the death of Pope Paul VI. I visited the Vatican in November 1976 and found the Pope a man to be venerated and admired for his leadership and inspiration.

Pope Paul VI's accomplishments were widespread and varied. The Pope consistently sought to mediate between the progressive and conservative forces within the church. Although it was Pope John XXIII who initiated the Vatican Council, it fell to Pope Paul VI to carry-out the proposed reforms. In addition, he brought into being new guidelines for a radical new relationship between Catholics and Jews that has provided a healthier atmosphere between them.

Furthermore, I led a delegation of the House that was granted an audience with Pope Paul where we discussed the problem of the alarming spread of narcotics abuse throughout the world. Consequently, His Holiness responded with the strongest position on drug abuse he has ever taken publicly. For those of us who understand the ravages of drug abuse, the Pope's position was welcomed by all men of good will.

Clearly, the Pope was a progressive exponent of human rights and social justice. He traveled widely throughout the world spreading the teachings of the church. He ardently worked for world peace and championed the cause of the hungry, the poor, and the oppressed as well as beginning a sensitive and sustained effort to improve relations with the Soviet Union and the Communist countries of Eastern Europe.

Truly, the Pope will be revered and missed as he guided the church through a difficult time of social and religious unrest. It is impossible to assess Pope Paul VI's contribution to mankind, but the world is better for his leadership.●

GENERAL LEAVE

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to express their tributes to Pope Paul.

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

There was no objection.

APPEAL TO THE PRESIDENT TO ASSIST IN RELEASE OF JAY CRAWFORD FROM THE SOVIET UNION

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

Mr. ROSTENKOWSKI. Mr. Speaker, in the week just past, Francis Jay Crawford, an American citizen, a resident of Mobile, Ala., was on three separate occasions summoned to KGB Headquaters in Moscow and subjected to police interrogation. On each occasion, the American consular officer who was accompanying him was refused access to the room where Crawford was being questioned.

As I am sure you know, Mr. Speaker, Crawford is the International Harvester representative who, on June 12, was dragged from his car, arrested, and unjustly charged with currency violations under the Soviet Criminal Code. He spent a total of 15 days in a Soviet prison before his release to the protective custody of U.S. Ambassador Malcolm Toon. Crawford cannot now leave the Soviet Union. He can be called back to the KGB prison for questioning at any time.

The charge lodged against Mr. Crawford has not been substantiated with any evidence, and I personally do not believe that it is grounded in fact. The arrest is a reprisal for the capture of two Soviet spies engaged in espionage against the United States. The charge is a fabrication of the Soviets, who hoped to gain the release of their agents who will shortly be tried for their activities.

There is no indication that the Crawford case will come to a conclusion in the near future. Although Mr. Crawford has been formally charged, his case is still in the pretrial phase. No date has been set for the trial itself and much will depend on the outcome of the September trial of the Soviet agents.

I am sure that my colleagues have seen the press reports indicating that the administration is presently engaged in efforts to arrange a swap for the imprisoned Soviet dissident Anatoly Scharansky. Mr. Speaker, like millions of other Americans, I am concerned about Mr. Scharansky and the violation of his human rights. However, I am more concerned that our Government protects the rights of an American citizen.

Mr. Speaker, I have written to the President of the United States of America to continue his aggressive campaign to secure the release of Jay Crawford. I am enclosing a copy of that letter for the RECORD.

The letter follows:

AUGUST 3, 1978.

Hon. JIMMY CARTER,
President, The White House,
Washington, D.C.

DEAR MR. PRESIDENT: As you know, I have been interested in the case of Jay Crawford, the American businessman employed in the Soviet Union by the International Harvester Corporation, and currently released to the surety of Ambassador Toon.

Recently there has been speculation in the press and elsewhere concerning the possibility of a so-called "swap" of accused Soviet spies for Soviet dissident Anatoly Shcharansky. My concern in this matter is that the Administration remain alert to such possibilities with regard to Mr. Crawford who is, after all, a United States citizen.

It is my understanding that the State Department has been most cooperative in every regard in its dealings with International Harvester on this matter. Hopefully, this close cooperation will continue and terminate in the eventual early release of Mr. Crawford.

Sincerely,

DAN ROSTENKOWSKI,
Member of Congress.

RUGGED INDIVIDUALISTS

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

Mr. DANIELSON. Mr. Speaker, I was born in a little country town in Nebraska. The name was Wausa, named after an old Swedish King Vasa who lived a long time ago.

It is a small town of some 750 people. They are good, hardworking people of conservative bent.

Occasionally I get a copy of the Wausa Gazette, the local newspaper. In a recent issue I saw an interesting article on "Rugged Individualists." I would like to share it with my colleagues.

The article is as follows:

[From the Wausa Gazette, June 15, 1978]

RUGGED INDIVIDUALISTS

A young man attended public school, rode the free school bus, participated in the subsidized lunch program. He entered the Army, and then upon discharge retained his National Service Insurance. He then attended the State University, on the GI Bill.

Upon graduation, he married a Public Health nurse and bought a farm with an FHA loan and then obtained an RFC loan to go into business. A baby was born in the county hospital.

Later he put part of his land in the soil bank and the payments helped pay for his farm and ranch. His father and mother lived on the ranch on their Social Security; REA lines supplied electricity. The government helped clear his land. The County Agent showed him how to terrace it, then the government built him a fish pond and stocked it with fish.

Books from the Public Library were delivered to his door. He banked his money and a government agency insured it. His children attended public schools, rode free school buses, played in the public parks and swam in the public pools.

He was a leader in obtaining the new Federal Building and went to Washington with a group to ask the government to build a great dam. He petitioned the government to give the local air base to the County.

Then one day, after hearing that Carter's $500 billion budget for 1978 added up to $2,000 for every man, woman and child, he wrote his Congressman.

"I wish to protest these excessive governmental expenditures and attendant high taxes. I believe in rugged individualism. I think people should stand on their own two feet without expecting handouts. I am opposed to all socialistic trend and I demand a return to the Principles of our Constitution and of State rights."—Author Unknown.

APPOINTMENT OF CONFEREES ON H.R. 7577, ECONOMIC OPPORTUNITY AMENDMENTS OF 1978

Mr. PERKINS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 7577) to amend the Economic Opportunity Act of 1964, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? The Chair hears none, and appoints the following conferees: Messrs. PERKINS, ANDREWS of North Carolina, HAWKINS, FORD of Michigan, CORRADA, GOODLING, and QUIE.

PROPOSED CREDIT AGAINST INCOME TAX FOR SOCIAL SECURITY TAXES PAID

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

Mr. CONABLE. Mr. Speaker, one scarcely knows what to believe about the tax bill that is pending at this point. I have heard of a provision which the majority leadership wants to make in order, the so-called Gephardt amendment that the gentleman from Missouri presented in the last day of consideration of the bill in the Committee on Ways and Means. This would provide a credit against the income taxes for social security taxes paid. Since no hearings have been held on this, and since it is not a generally understood provision, I have reserved 15 minutes today for a special order to discuss this matter. I urge my colleagues to attend and participate.

BALANCE-OF-PAYMENTS POLICY OUT OF GEAR

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

Mr. COUGHLIN. Mr. Speaker, every month or so spokesmen for the Carter administration appear before bright lights and cameras to announce the bad news concerning the Nation's balance-of-payments position. It is not uncommon for them to note that the monthly or quarterly increase in our trade deficit is the largest since records have been kept. The quarterly average trade deficit, using Census Bureau figures, is now running around $2 billion a month. This kind of figure is routinely decried by administration officials who sternly warn that the balance-of-payments picture must be improved. Imports will have to be cut and exports will have to be increased.

One wonders how seriously the administration takes its own warnings. Or how much responsibility it feels the Federal Government ought to bear through its procurement and contracting operations for improving the balance-of-payments situation.

For instance, it has come to my attention that the Department of Transportation is building a series of new Coast Guard cutters and selected an American firm for the work. All well and good. However, when the shipbuilding company solicited bids for gears for four of the cutters with the potential of placing additional orders with the subcontractor, a British firm was chosen for the work. Because a difference of only $38,000 separated an American bidder—Philadelphia Gear—from the low-bidding British firm, as much as $5 million may flow out of the country to import the British-made gear parts.

There is no excuse for a department of the Federal Government to be an accomplice to this type of arrangement. If the Government's own policies at every level do not reflect a commitment, and not just rhetoric, when it comes to lowering unemployment, reducing the trade deficit, and restoring the dollar to its previously strong international position, then there is perhaps little reason to expect that any progress is going to be made on these difficult economic problems.

LOSS OF AMERICAN JOBS AND TAX MONEY WHEN CONTRACTS ARE GIVEN TO FOREIGN MANUFACTURERS

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

Mr. WALKER. Mr. Speaker, I rise to talk about Government policy that has tremendous cost implications for the American people.

My remarks today involve the loss of jobs and tax money when contracts are given to foreign manufacturers. I have spoken on this problem and the need for reform of the Buy American Act previously, both on the House floor and in committee.

In this instance, a Pennsylvania manufacturer of propulsion gears was the second low bid on gears for four 270-foot Coast Guard cutters. The low bidder and subsequent recipient of the contract was a British company. It has since been discovered, however, that the British gear system is too heavy for use in these ships. Rather than allowing the British firm to adjust the weight, the bidding on this contract should be reopened.

Cases such as this, I am sure, are not uncommon. They are, however, inexcusable for several reasons. First, an economic analysis shows that domestic purchases would return to our Government in the form of taxes, half of the dollars spent; whereas the procurement of foreign products would not. Second, a decrease in production is detrimental to the U.S. economy and would cause layoffs. Layoffs would also cost the Government more money since unemployed workers would have to apply for special unemployment and training benefits. The production of gears for the initial 4 ships cited above—of a total of 37 ships planned—would keep 100 men working for 6 months. This is especially important when the unemployment rate in Pennsylvania has just risen to 7.4 percent.

The main point is that the cost of foreign products at face value is less, but the total cost to U.S. companies and American workers is devastating.

AWARD OF COAST GUARD CONTRACT FOR MAIN PROPULSION GEARS FOR 270-FOOT CUTTERS

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

● Mr. SCHULZE. Mr. Speaker, the administration has astounded every one of us over the last year and a half with a series of actions which affect the defense of our Nation. The latest to come to my attention could have a direct bearing on the capability of the U.S. Coast Guard to perform its mission.

The prime contractor, Tacoma Boatbuilding Co., scheduled to start construction on the first four ships in a series of new 270-foot Coast Guard cutters has selected a British company, GEC, to manufacture the main propulsion gears.

The issue of concern here is much more than jobs and much more than contracts: The issue is our national defense. If our Coast Guard is dependent upon a foreign corporation for its viability, what happens if the sea lanes between our nations are cut off? Is our Coast Guard then cut off? If Britain goes to war, will they continue to provide these essential parts for our ships? The bottom line is a simple one: We cannot afford to have the heart of our Coast Guard ships produced anywhere but at home.

Mr. Speaker, I would like to draw the attention of the Members to the July 1978, issue of Defense Electronics Perspective, a very lengthy statement entitled "Fast Patrol Boats: Key to Soviet World Domination?"

Mr. Speaker, the Soviet Union has embarked on an aggressive global strategy of transferring hundreds of fast patrol boats to other nations with the intent of securing forward bases, disrupting the regional status quo and

gaining geostrategic advantage over the United States.

This clear and present threat should emphasize the wisdom in keeping our coastal defense system second to none, and a step in that direction would be the awarding of contracts to American firms for production of all parts of this system.

What we basically have in this instance is American industry being preempted in participating in our overall national defense effort. Our experience with past wars showed that America's industrial community can tool up for an all-out effort to produce military equipment. This capability has been proven, but what do we do with it? We subcontract to a British firm for gears to go on our Coast Guard cutters.

A strong defense is not just enough ships and planes to meet any adversary. It also means an American industrial community willing and able to meet all our defense needs. What we need is a commitment by this administration to let them get on with the job.●

REQUEST FOR PERMISSION FOR COMMITTEE ON THE JUDICIARY TO MEET TOMORROW DURING 5-MINUTE RULE

Mr. DANIELSON. Mr. Speaker, on behalf of the Committee on the Judiciary, I ask unanimous consent that the Committee on the Judiciary may meet tomorrow, Tuesday, August 8, 1978, during the 5-minute rule.

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

Mr. ASHBROOK. Reserving the right to object, Mr. Speaker, may I ask the gentleman whether this meeting will be for purposes of markup?

Mr. DANIELSON. If the gentleman will yield, Mr. Speaker, it is for markup. It is for committee action on four bills. We are behind in our schedule, and the House meets at 10 a.m. We have not had the opportunity to have the Committee on the Judiciary meetings for some time. It is urgent that we be able to consider these bills.

Mr. ASHBROOK. Further reserving the right to object, Mr. Speaker, we are getting into that time of the year when campaigning starts. I am one Member who is on the floor quite a bit, and I am getting a little tired of staff members sending back information to our districts with respect to how many committee meetings we miss.

I think I will object to that because I do not want to miss that meeting.

Mr. DANIELSON. I will be glad to assure the gentleman's constituents that he misses very few meetings, if that would be of any help.

Mr. ASHBROOK. The record shows otherwise, so I object.

The SPEAKER. Objection is heard.

Mr. DANIELSON. Mr. Speaker, I withdraw my request.

DEFENSE APPROPRIATIONS, 1979

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 13635) making appropriations for the Department of Defense for the fiscal year ending September 30, 1979, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. MAHON).

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

Mr. ASHBROOK. 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 320, nays 6, not voting 106, as follows:

[Roll No. 650]

YEAS—320

Abdnor	Derwinski	Hughes
Addabbo	Devine	Hyde
Akaka	Dickinson	Ichord
Anderson, Calif.	Dicks	Ireland
Anderson, Ill.	Dingell	Jenrette
Andrews, N.C.	Dornan	Johnson, Calif.
Andrews, N. Dak.	Downey	Jones, N.C.
Annunzio	Drinan	Jones, Okla.
Archer	Duncan, Oreg.	Jordan
Ashbrook	Duncan, Tenn.	Kastenmeier
Ashley	Early	Kazen
Aspin	Edgar	Kelly
AuCoin	Edwards, Ala.	Kemp
Badham	Edwards, Calif.	Keys
Bafalis	Edwards, Okla.	Kildee
Bauman	Eilberg	Kindness
Beard, Tenn.	Emery	Kostmayer
Bedell	Erlenborn	Krebs
Benjamin	Ertel	Krueger
Bennett	Evans, Colo.	Lagomarsino
Bevill	Evans, Del.	Latta
Biaggi	Evans, Ind.	Leach
Bingham	Fary	Lederer
Blanchard	Fascell	Leggett
Blouin	Fenwick	Lehman
Boggs	Findley	Lent
Bonior	Fish	Levitas
Bonker	Fisher	Livingston
Brademas	Fithian	Lloyd, Tenn.
Breaux	Flippo	Long, La.
Breckinridge	Flood	Long, Md.
Brinkley	Florio	Lujan
Brodhead	Flynt	Luken
Brooks	Foley	Lundine
Broomfield	Forsythe	McClory
Brown, Mich.	Frenzel	McCloskey
Broyhill	Fuqua	McCormack
Buchanan	Gaydos	McDade
Burgener	Gephardt	McEwen
Burke, Fla.	Giaimo	McFall
Burleson, Tex.	Gibbons	McHugh
Burlison, Mo.	Gilman	McKay
Burton, John	Ginn	Madigan
Burton, Phillip	Glickman	Maguire
Byron	Goodling	Mahon
Carney	Gore	Markey
Carter	Gradison	Marks
Cavanaugh	Grassley	Marlenee
Chappell	Green	Marriott
Clausen, Don H.	Gudger	Martin
Clawson, Del	Guyer	Mattox
Cleveland	Hagedorn	Mazzoli
Cohen	Hall	Meeds
Coleman	Hamilton	Metcalfe
Collins, Ill.	Hammer-schmidt	Meyner
Conable	Hannaford	Michel
Corcoran	Harkin	Mikva
Corman	Harris	Miller, Calif.
Cornwell	Harsha	Miller, Ohio
Coughlin	Hawkins	Mineta
Crane	Heckler	Minish
D'Amours	Hefner	Mitchell, N.Y.
Daniel, Dan	Heftel	Moffett
Daniel, R. W.	Holland	Montgomery
Danielson	Hollenbeck	Moore
Delaney	Holt	Moorhead, Calif.
Dellums	Holtzman	Mottl
Dent	Horton	Murphy, Ill.
Derrick	Howard	Murphy, N.Y.
	Hubbard	Murphy, Pa.
	Huckaby	Murtha
Myers, Gary	Rooney	Taylor
Myers, John	Rose	Thompson
Myers, Michael	Rostenkowski	Thornton
Natcher	Roybal	Treen
Nedzi	Rudd	Trible
Nichols	Runnels	Tsongas
Nix	Russo	Ullman
Nolan	Ryan	Van Deerlin
Nowak	Satterfield	Vander Jagt
O'Brien	Scheuer	Vanik
Oberstar	Schroeder	Vento
Ottinger	Schulze	Volkmer
Panetta	Sebelius	Waggonner
Patterson	Seiberling	Walgren
Pattison	Sharp	Walker
Pease	Shuster	Walsh
Perkins	Sikes	Watkins
Pettis	Simon	Waxman
Pickle	Skubitz	Weaver
Pike	Slack	Weiss
Poage	Smith, Iowa	Whalen
Preyer	Smith, Nebr.	White
Price	Snyder	Whitehurst
Pritchard	Solarz	Whitley
Pursell	Spence	Whitten
Quillen	St Germain	Winn
Rahall	Staggers	Wolff
Railsback	Stangeland	Wydler
Rangel	Stanton	Wylie
Regula	Stark	Yates
Reuss	Steers	Yatron
Rinaldo	Steiger	Young, Fla.
Risenhoover	Stockman	Young, Mo.
Roberts	Stratton	Young, Tex.
Robinson	Studds	Zablocki
Roe	Stump	
Rogers	Symms	

NAYS—6

Collins, Tex.	Mitchell, Md.	Quayle
Lloyd, Calif.	Moffohan	Wilson, Bob

NOT VOTING—106

Alexander	Flowers	Obey
Ambro	Ford, Mich.	Patten
Ammerman	Ford, Tenn.	Pepper
Applegate	Fountain	Pressler
Armstrong	Fowler	Quie
Baldus	Fraser	Rhodes
Barnard	Frey	Richmond
Baucus	Gammage	Rodino
Beard, R.I.	Garcia	Roncalio
Bellenson	Goldwater	Rosenthal
Boland	Gonzalez	Rousselot
Bolling	Hanley	Ruppe
Bowen	Hansen	Santini
Brown, Calif.	Harrington	Sarasin
Brown, Ohio	Hightower	Sawyer
Burke, Calif.	Hillis	Shipley
Burke, Mass.	Jacobs	Sisk
Butler	Jeffords	Skelton
Caputo	Jenkins	Spellman
Carr	Johnson, Colo.	Steed
Cederberg	Jones, Tenn.	Stokes
Chisholm	Kasten	Teague
Clay	LaFalce	Thone
Cochran	Le Fante	Traxler
Conte	Lott	Tucker
Conyers	McDonald	Udall
Cornell	McKinney	Wampler
Cotter	Mann	Wiggins
Cunningham	Mathis	Wilson, C. H.
Davis	Mikulski	Wilson, Tex.
de la Garza	Milford	Wirth
Diggs	Moakley	Wright
Dodd	Moorhead, Pa.	Young, Alaska
Eckhardt	Moss	Zeferetti
English	Neal	
Evans, Ga.	Oakar	

Mr. MOORE changed his vote from "nay" to "yea."

So the motion was agreed to.

The result of the vote was announced as above recorded.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 13635, with Mr. ROSTENKOWSKI in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Friday, August 4, 1978, the Clerk had read through line 11, page 2.

Are there any amendments?

AMENDMENT OFFERED BY MR. DICKINSON

Mr. DICKINSON. Mr. Chairman, I offer amendments, and I ask unanimous consent, since this is a series of amendments dealing with one subject, that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. VOLKMER. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard

Mr. DICKINSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DICKINSON: On page 2, line 11, strike "$9,123,000" and insert in lieu thereof "$9,125,299,000".

Mr. DICKINSON. Mr. Chairman, the purpose of my amendment, and the reason I had asked unanimous consent that the series of amendments, all dealing with the consolidation of helicopter training, be considered en bloc is because they all have just one subject matter in common.

The purpose of these amendments is to add $20 million to the Army budget and reduce the Navy budget by $22 million in order to allow the Department of Defense to consolidate Navy and Marine Corps undergraduate helicopter pilot training under the Army. The Department of Defense was criticized in 1972 by the General Accounting Office for not making this move. For at least 3 or 4 years, the Defense Department has been trying, but Congress has made a political decision and has blocked the effort.

I admit at the outset that I have a parochial interest in the consolidation, since all Army helicopter training is at Fort Rucker in my district. However, I would not be standing up here if this effort were merely an interservice rivalry, or the only thing involved here was who was going to do the training. My amendment will allow the Department of Defense to employ its resources more efficiently, and save approximately $100 million over the next 5 years.

At the present time, there are two separate undergraduate helicopter pilot training programs operated by the Department of Defense. Army and Air Force pilots are trained at Fort Rucker. Navy and Marine Corps and Coast Guard pilots are trained at Pensacola, Fla. As a result, we have had to pay for duplicate training simulators and duplicate personnel to conduct the training.

All we are talking about, Mr. Chairman, is basic helicopter flight instruction training at the enery level. In other words, it is to take an untrained individual and to put him ultimately in flight, to get the helicopter into the air and flying and get the necessary flying hours in so that the individual gets his wings. Some individual Members who will follow me on this subject will try to convince other Members that the Navy and Marine Corps and Coast Guard pilots need some different basic training. I submit this is not so. Before we can teach a person to fly over water or to land on a carrier or destroyer, or to land assault troops on the beach, we have to teach him basic helicopter training.

Seventy-five percent of all helicopters owned by the Department of Defense are flown by the Army. Over 75 percent of all missions flown during the Vietnamese war were flown by Army pilots. If there is a service-oriented peculiarity such as the Navy or Marine Corps or Coast Guard might have, then, of course, they can go on to specialized training.

Some of the Navy contend it is best to learn to fly fixed wing before rotary aircraft. The Army believes otherwise and has the track record to prove it.

The Air Force apparently shares the Army's belief, since the Army trains the Air Force helicopter pilots. There is no question the Army is expert in training helicopter pilots.

As a matter of fact, I wish every Member of the House would have the opportunity to see the sophistication of the training at Fort Rucker, which is limited not only to Americans but also covers training of pilots from NATO nations and several Middle East countries. Some of those who later will contend the consolidation endangers lives—as they did 2 years ago on the House floor and last year on the Senate floor—have no basis for this argument.

We are talking about a savings of at least $97.7 million over the next 5 years because we can eliminate over 2,000 slots and avoid purchasing duplicate equipment. Actually, the General Accounting Office contends that the savings are conservative because certain cost areas such as unfunded retirement and future veterans' benefits were not considered.

Therefore, I urge adoption of these amendments.

Mr. Chairman, the Secretary of the Defense is a strong supporter of the consolidation of the helicopter training. The Secretary of the Navy supports the consolidation of the training. I have here a report from the Comptroller General.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, D.C., May 18, 1978.

Hon. GEORGE H. MAHON,
Chairman, Committee on Appropriations, House of Representatives.

DEAR MR. CHAIRMAN: For the third year in a row, the Department of Defense has proposed that the Congress approve the planned consolidation of helicopter pilot training. As you know, this is an issue in which I have been interested for some time. The General Accounting Office has twice issued reports supporting the need to consolidate this training and pointing out that significant savings could be achieved.

In May 1974 we reported that consolidation of helicopter pilot training was feasible and recommended that the Secretary of Defense consider merging Army and Navy programs at one site. After studying the matter, Defense proposed consolidation in the fiscal year 1977 President's budget. The Congress did not approve the consolidation, but directed Defense to make another study to more clearly document the expected savings.

Defense's April 1977 report on its subsequent study estimated that net savings of $103.8 million would result during the period 1978 through 1982 from consolidation. We reported in May 1977 that these estimated savings were conservative because they did not consider reductions in certain cost areas such as unfunded retirement and future veterans benefits. We estimated that additional savings of $46 million could be achieved if consolidation is accomplished.

More recently, the Defense Audit Service, in its March 23, 1978, report, concluded that savings of $97.7 million over the next five years could result from consolidation.

I believe that the feasibility of consolidating helicopter training and the significant resultant savings have been adequately demonstrated. With your support, Defense can expect a more favorable outcome as the Congress again considers this important issue.

This letter is also being sent to the Chairmen, Senate and House Armed Services Committees and Senate Appropriations Committee.

Sincerely yours,

ELMER B. STAATS,
Comptroller General of the United States.

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

(By unanimous consent, Mr. DICKINSON was allowed to proceed for 5 additional minutes.)

Mr. DICKINSON. Mr. Chairman, if I might quote from a letter from the Secretary of Defense to Senator STENNIS, he says:

I am very concerned by the reprioritization proposed in the operations area. While the House has been helpful in a number of instances in identifying potential improvements arising out of its staff analysis and audit reports, I take strong exception to the reversal of some of the efficiencies that we had included in the budget request. We are frequently exhorted to improve the efficiency of our operations and these improvements obviously require dislocations which may be disruptive to individuals and communities affected. These actions are sometimes necessary to ensure the best defense posture obtainable from the limited resources available. Although the Congress has rejected a number of these in the past, I continue to believe that we should consolidate helicopter training.

This letter was signed by Secretary of Defense Harold Brown.

The letter signed by Mr. Staats, Comptroller General of the United States, explains the problem and identifies the areas of savings and has urged that the consolidation go forward.

Mr. Chairman, there are two principal arguments that the opponents of this will have. One is that, well, the Navy has to train their pilots differently. Let me make two points here.

First, in a Defense Department study on this very subject it reads that the Navy and Marine Corps students should be trained in a maritime environment, but the report's conclusions are that a relatively minor part of the Navy program is specified over water or in a shipboard environment.

Mr. Chairman, 0.8 percent flying hours and 0.7 percent flying hours, respectively, are designated for field carrier landing practice and carrier qualification. Mr. Chairman, 0.7 percent hours is allotted for this purpose, in the event a carrier is not available, then requirement is waived.

The point is that they train them with less than an hour of flying time over water, so I cannot believe that that is really that important.

We are talking about basic helicopter training, and from this point they can go forward and have any specialized training that the service might require. But I think in the interest of economy, to cut down spending without hurting our defense one bit, and perhaps even im-

proving it, I think that it behooves the House, as we have in the past 2 years that the House has had this provision to consolidate helicopter training at one place, to do this. Then these students can go back to their individual services, just as they do in the Air Force now. It does not hurt their training, it enhances their training.

I think it is just common sense to do so.

As I said before, the Secretary of Defense supports it; the Comptroller General supports it; and the GAO, as I said, has criticized the Defense Department for not already having done this.

The Comptroller General has identified the cost savings, and these will go on for every year we have the consolidated helicopter training, and not just $100 million in 5 years.

So I would strongly urge the Members of the House to adopt the amendment and let us get on to strengthening our defense.

Mr. SIKES Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Alabama (Mr. DICKINSON).

(By unanimous consent, Mr. SIKES was allowed to proceed for 5 additional minutes.)

Mr. Chairman, I have the highest regard for my good friend, BILL DICKINSON. He is able, articulate, and an outstanding Member of this body. We live in adjoining congressional districts, we share a long common boundary, and the story persists that some of his constituents come across the line on election day to vote for me and that some of mine go across the line to vote for him.

We do have a difference of opinon on the propriety of this amendment. He cannot afford to tell you things that I can.

This proposal is not a new one. Specifically, this is the third successive year that this proposal has been brought before the Congress by the Defense Department. In each previous instance the proposal has been rejected.

The Navy does not want consolidation. The Army did not propose consolidation. The proposal comes from the Office of the Secretary of Defense through the efforts of individuals who are not nor have ever been Navy or Army aviators. They are think tank planners who make a career of their profession. They base their proposal for consolidation on factors which ignore Navy requirements for specialized training and on a rehash of claims for savings, which cannot be substantiated.

Vigorous objections to consolidation have been made by many of the Navy's outstanding leaders including Adm. Thomas Moorer, former Chief of Naval Operations, widely recognized for his great contributions in uniform. Those in the Navy who support consolidation in the main do so under orders from OSD. Admiral Holloway, former CNO, has stated that if there are further hearings, he will testify against consolidation.

Two years ago, consolidation was voted by the House simply on the claim that it meant $100 million in savings. A very large percentage of the Members had not heard the debate. They were simply told, as they came in the doors, to vote for the amendment and save $100 million. The Senate looked more carefully at the facts and voted just as decisively against it. The proposal was dropped in conference.

Last year there was not a vote in the House, but the Senate, looking at the facts, voted 75 to 21 against consolidation.

Nothing daunted the think tank planners. They are back again. The facts have not changed. It was brought out in 3 days of hearings in the House committee last year that instead of a savings of $100 million the costs would be very similar, the saving would be minimal, and it could even cost more for the Army to provide training to meet the more exacting Navy requirements than the present Navy costs.

Let us examine those claims of cost savings. An audit trail developed during those hearings is spelled out in my special order beginning on page H7851 of the RECORD of Thursday, August 3. It spells out the details of the faulty reasoning of the Pentagon planners.

As we might have anticipated, the Defense Audit Service apparently was instructed to come to the rescue of the professional planners in the Pentagon. The Defense Audit Service is another arm of SECDEF. Their product dated March 23, 1978, is in essence a rehash of the claims of OSD for major savings. It does not refute or even diagnose the findings of the audit trail. It simply refurbishes the Department's own claims but in order to add a little credibility, it reduces the savings to $97.7 million in 5 years. Please remember that just 2 years ago, OSD claimed it would save $175 million. Stated very simply, the OSD estimate of savings is achieved by pumping up Navy costs and understating Army costs.

The Defense Audit Service does not deal with Navy training requirements there was a cost analysis only—Army training does not meet Navy requirements.

Now let us approach the claim for savings in the light of the most recent cost analysis. Briefly stated, OSD set forth in decision package No. 490 an estimate that it would cost the Navy $305.9 million over 5 years to conduct its own helicopter pilot training. However, the Navy on December 8, 1977, reclamated this statement and showed that the actual cost to the Navy for training for the 5-year period would be $193.1 million. Surely the Navy knows what it would cost to duplicate its own training. The Navy says it would cost $193.1 million. Here is a glaring discrepancy of $112.8 million on which OSD claims to build a case.

Furthermore, the Navy reclama signed by the Assistant Secretary for Financial Management identifies additional Army costs attendant for consolidation at Fort Rucker in excess of $50 million.

Now let us recapitulate. If the Navy cost figures are $193.1 million and no one has successfully disputed the Navy's cost figures. And if the Army cost of helicopter pilot tra'ning is $136.8 million and this figure does not include all of the Army's cost of training for Navy's requirements, a difference in cost estimates of $56.3 million for the 5-year period. But from this, we must deduct the additional costs not heretofore considered by the OSD but identified by the Navy of $50 million more for training at Fort Rucker. This leaves $6.3 million for actual savings for the 5-year period after consolidation but there is more. To support naval requirements for fixed-wing pilots which would be additional after helicopter training is merged, Navy would need an additional $6 million in fiscal year 1979 alone, and a total of about $60 million over the fiscal years 1979 through 1983. Thus the best OSD cost avoidance estimate for this consolidation would be wiped out in 1 year. None of this take into consideration the disruption of families, loss of property values comprising a base, loss to the Government for disposal of surplus facilities, and future cost of additional facilities which would have to be duplicated in time at Fort Rucker.

The only criticism that has been leveled at Navy training is that there would be a saving from the use of more advanced simulators for flight training. Now let me give you the facts on this. In order to bolster the case for consolidation, OSD has denied Navy students the benefit of advanced simulators which were bought and paid for 2 years ago. They have cancelled bids for improved messing facilities for enlisted men authorized and approved 2 years ago. I say it is an inexcusable act for more adequate facilities and more advanced training facilities to be denied to students just for the sake of winning an argument with Congress.

It is significant to me that at no time has the Navy been allowed full partnership in the discussion on cost or training requirements. Hearings held by the Defense Subcommittee show the OSD analysts did not ask the Navy for assistance in analyzing the Navy cost figures. As a matter of fact, the OSD representatives admitted in the hearing that the Navy was never formally advised of visits to the Navy training installations by the OSD representatives in questicn.

When cost analysis was completed by the in-house OSD group, after a period of several months in preparation, the Navy was given 5 days—2 of them weekend days—in which to analyze and comment on the OSD analysis. Even then their views were reported in a separate section of the document, as though through an afterthought.

You have been told that GAO supports consolidation. What you have not been told is that the hearings indicate that OSD and GAO worked out an agreement prior to GAO's review of the OSD analysis to insure that GAO would support the OSD position.

As recently as May 18 of this year, GAO provided an unsolicited letter to the chairmen of the Appropriations and Armed Services Committees requesting their support of this consolidation. The initiator of that letter, Mr. M. W. Kandle, is a former OSD employee and colleague of the OSD officials who are now pressing for UHPT consolidation.

Finally, let me quote from the chief of naval education and training, who is directly responsible for naval helicopter training. He says this about the OSD's cost analysis:

My summary view is that the analysis does not withstand even a moment's scrutiny by knowledgeable analysts and professional aviators. It falls short of being a quality effort to such a degree that a serious question is raised about the objectivity of the author . . . as a matter of principle, OSD should not permit unqualified analysts to develop proposals which effect, in such a fundamental way, flight safety considerations. It is bad enough that the analysis is poor—that it should have given so little thought to safety is unconscionable.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. WHITE, and by unanimous consent, Mr. SIKES was allowed to proceed for 3 additional minutes.)

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

Mr. SIKES. I yield to my distinguished friend, the gentleman from Texas.

Mr. WHITE. I thank the gentleman for yielding.

Is it not true that the basic mission of the Marine Corps and the Navy is from ship to shore and from ship to ship, and this requires special training that is intrinsic in the training program throughout, not just the training as to physical landing, but is involved in the navigation program and is involved in every aspect of the training itself?

Mr. SIKES. That is correct.

Mr. WHITE. Is it true that if this program is consolidated, then all helicopter pilots would be learning a land program, some of which would have to be unlearned when it comes time for them to learn their basic mission? They would have to be given further training in order to understand the basic mission in the mode of the sea?

Mr. SIKES. My friend, the gentleman from Texas, again is correct in his statement.

Mr. WHITE. Is this not the principal reason that consolidation has not been accomplished in the past, has been turned down by the Senate, and has been turned down by numbers of Members of this House who object to the consolidation because it will lead to greater inefficiency?

Mr. SIKES. The gentleman is right.

Mr. WHITE. I thank the gentleman from Florida.

Mr. SIKES. I thank the gentleman for his contribution.

Mr. EDWARDS of Alabama. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I do not think I am going to take the whole 5 minutes, but let us review the bidding on this for a moment. The Department of Defense has proposed for 3 years now that the basic helicopter training be consolidated. In the last 2 years the House has sent the bill to the Senate with a provision calling for consolidation. The Senate on both occasions has rejected that, and when we went to conference, our conferees agreed with the Senate conferees, and so we do not have consolidation.

Well, I do not know any subject that has been studied any more than this subject has in the years that I have been here. The Defense Department has had to look at it time and again in order to prove their case. Every time they look at it, they come back with figures somewhere in the neighborhood of $100 million that can be saved by this consolidation.

The Navy does not want it. I can understand that. The Navy has a certain pride. They like to be able to train at their own base, and this sort of thing.

The Secretary of the Navy does want it. The Secretary of the Defense does want it. This House, on two different occasions, has wanted it. In order to make sure that the figures that the Navy and the Defense Departments have come up with from time to time were accurate, the Secretary of Defense asked the Defense Audit Service, an independent auditing branch of the Defense Department, to look at this for the first time this year. They say you can save $97 million in the next 5 years by consolidating. The General Accounting Office has taken the same position time after time after time.

Let us reiterate that all we are talking about is basic training. You have to learn to fly a helicopter before you get into specialized training. That is where you learn to fly on carrier decks and from carrier decks to some invasion, or whatever. You do not learn to do it in basic training. You learn how to fly a helicopter.

There is no reason that I can think of why we ought not to save $100 million, if we can, to be able to train those young helicopter pilots in a proper fashion.

The Navy and the Army have met time and time again to work out a training syllabus. There is no question in the minds of those who have worked on it that the proper training syllabus can be put into effect with consolidation. I think we should go along with it.

I plead with you for the third time in the last 3 years to once again vote to consolidate basic helicopter training, and we will be saving an awful lot of money without any cutback in the caliber of the helicopter pilots we train.

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

Mr. EDWARDS of Alabama. I yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, I would like to clear up one point that I do not want to be misunderstood. There is no requirement for additional facilities to be built. There will not be any duplicating of facilities.

At the height of the Vietnam war, in Fort Rucker we were turning out 2,200 pilots a year. This year we are turning out 665. There is plenty of room there. The expertise is there, the facilities are there, the knowhow, the cost savings are there.

Mr. Chairman, I wanted to emphasize that point and I thank the gentleman.

Mr. MAHON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this is a hotly contested issue. This is the third time that it has been before the House. The other body has not gone along with the House position on two previous occasions.

I think it is time to stop this controversy. There are two sides to the argument. I can understand why the gentleman from Alabama wishes to take care of the interests of his own district, which he feels is also in the interest of national defense generally. I can understand the interest of the gentleman from Florida (Mr. SIKES).

I can understand the interest of the gentleman from Alabama (Mr. EDWARDS). The gentleman has pursued it here on a very high-level basis through the years; but the time has come, I think, to put this issue behind us, to defeat the amendment and let the Services proceed with helicopter training for the following year as they are now proceeding.

The Navy feels strongly about the issue. The Navy does have some good points, and the Army has some good points. But let us vote this amendment down and get on with our business, because this amendment is not going anywhere anyway, as I see it.

Mr. Chairman, I ask that the amendment be voted down.

AMENDMENT OFFERED BY MR. VOLKMER AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. DICKINSON

Mr. VOLKMER. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. VOLKMER as a substitute for the amendment offered by Mr. DICKINSON: page 2, line 11, strike "$9,123,499,000" and insert in lieu thereof "$8,941,030,000".

Mr. VOLKMER. Mr. Chairman, this amendment provides a 2-percent cut in the personnel appropriation level for the Army. I feel it is necessary at this time to offer the amendment, since the amendment offered by the gentleman from Alabama (Mr. DICKINSON) if successful would preclude me from offering it, having once amended the same figure.

I believe that this House should debate whether or not we should have a 2-percent cut in this bill or in these programs.

I have reviewed the report, and I wish to commend the committee for the action it has taken on numerous parts of this bill. Specifically, under title I, I believe the committee has been responsible. I still feel, however, that that same responsibility has been shown by other subcommittees of the Committee on Appropriations. I believe that responsibility was shown by the Subcommittee on HEW, by the Subcommittee on Public Works, by the Subcommittee on Transportation, and all the others on which 2-percent cuts have been supported. I believe that responsibility was shown on the legislative appropriations.

Now the question comes up on this bill, which is the final appropriation bill other than the foreign assistance bill, which is still being acted upon by this House, and the question is whether or not there should be a 2-percent cut on this bill.

I have offered this amendment to provide for a 2-percent cut on the Army

personnel, and I have introduced or had printed in the RECORD approximately 42 other amendments that will be necessary to bring to the floor if we consider each individual item in this bill rather than determine them by title or on the bill as a whole.

As I stated Friday, if we take the amendment offered by the gentleman from Ohio (Mr. MILLER) as it was originally proposed to the first several bills as a general 2-percent cut overall, then there are many Members on this floor who will state that that is not the way to approach the problem. Perhaps that is not a responsible way to approach the problem, because if we do it that way, then we may cut some good programs and not just the bad programs.

However, if we approach it by the method that I have proposed initially on this bill, which is to take each item, debate it, and then vote on that item, then I think it becomes obvious to everyone that to do that would mean taking many hours of the time of the House. It could possibly take a whole week, as one Member said last Friday. I agree with that.

But we have to resolve the problem, and in my opinion we should resolve the problem as to what is the appropriate method to use. As one who believes sincerely that the taxpayers of this country feel basically that this Federal Government has been spending heavily and has been wasteful in its spending—and in some areas I agree entirely—I think we should be able to find at least 2-percent fat in about any budget and in about any program. I am sure, whether it is an administrative program, whether it is the Department of Defense or the Pentagon, whether it is HEW, or whether it is foreign assistance, we can surely find 2-percent fat.

If we cut it down to a 2-percent general overall, as I have proposed previously when we had the budget resolution in May, we would save several billion dollars for our taxpayers, and I think that is a worthwhile effort. I think that the taxpayers today are being overtaxed, if we take into consideration the total local, State, and national taxation and also add to it the problem of inflation. I think that they need some assistance from this body, and it is for this reason that I have tried to work out within myself a solution. I believe the best solution is, perhaps, a compromise solution, and, as has been discussed earlier privately, that we should go by title instead of by bill, and that we look at each individual title and see how we would approach the problem. I would be more than willing to go along with that solution.

The CHAIRMAN pro tempore. The time of the gentleman from Missouri (Mr. VOLKMER) has expired.

(On request of Mr. FLYNT and by unanimous consent, Mr. VOLKMER was allowed to proceed for 2 additional minutes.)

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

Mr. VOLKMER. I yield to the gentleman from Georgia.

Mr. FLYNT. I thank the gentleman for yielding.

Mr. Chairman, I would hope that my distinguished friend, the gentleman from Missouri (Mr. VOLKMER) would see fit to withdraw this amendment at this particular time, and I will explain why I feel very strongly about that.

This particular amendment is to the very paragraph of the bill which provides for military personnel, Army.

Mr. VOLKMER. Yes.

Mr. FLYNT. I would like to point out that, when this section of the bill came up, there was a budget recommendation from the Office of Management and Budget that the authorized strength of the Army be reduced by some 4,900 spaces. The committee, in its wisdom, approved an amendment to restore this 4,900 authorized strength for the Army. There are many of us who feel that the Army is understrength, at best. This bill provides for 16 divisions and other supporting troops and other combat troops. Many of us feel—and I am sure the gentleman from Missouri feels—that that might not be quite enough. In view of the fact that this would have the result of hitting at the most vulnerable spot, the one that ought not to be hit, military personnel, Army, that this would mean the reduction of the authorized strength of the Army of 15,000 strong, the equivalent of one full division. With that explanation of what it would do to the authorized strength of the Army, I respectfully ask my colleague to withdraw the amendment at this point, and maybe he will pick up support in some other places in the bill.

The CHAIRMAN. The time of the gentleman from Missouri (Mr. VOLKMER) has again expired.

(By unanimous consent, Mr. VOLKMER was allowed to proceed for 2 additional minutes.)

Mr. VOLKMER. Mr. Chairman, I would like to respond. I would like to say to the gentleman from Georgia (Mr. FLYNT) that I do plan to withdraw the amendment for two reasons, but not for the one that the gentleman has alluded to. And the two reasons I plan to withdraw the amendment are, as I said, I believe probably we can go to this on a title-by-title 2-percent cut and not by just each individual item. And, therefore, I am willing to withdraw the amendment at this time. But before I withdraw the amendment, I would also like to say that the other reason, basically, is that it would permit the committee to directly focus on the problem that has been raised by ahe amendment offered by the gentleman from Alabama as to the consolidation question, and the committee can vote on that question without interference or interjection of this 2-percent cut at this time. Then we could have perhaps a better showing on that. If I interject this—and this would have to be accidentally, probably, I might say, voted on, and voted on favorably—then that question would still not be resolved.

So at this time, for those reasons, and not for the reason that I am against the 2-percent cut, I withdraw the amendment.

Mr. Chairman, I will ask unanimous consent to withdraw the substitute amendment, but before I withdraw the amendment I would like to say one further thing.

Mr. FLYNT. Mr. Chairman, will the gentleman yield further?

Mr. VOLKMER. I yield to the gentleman from Georgia.

Mr. FLYNT. Mr. Chairman, for whatever reasons, I thank the gentleman for withdrawing his amendment.

Mr. VOLKMER. Mr. Chairman, I ask unanimous consent to withdraw the substitute amendment.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Missouri?

Mr. EDWARDS of Alabama. Mr. Chairman, reserving the right to object, is the gentleman going to nevertheless offer this type of amendment to each section?

Mr. VOLKMER. If the gentleman will yield, no, I do not plan that. Each title. Title by title. Instead of offering 42, we may have five or six. And I would be more than willing to yield on that point, as to the actual offering of them, to the gentleman from Ohio, who has been the past leader in this 2-percent cut in the House, so far as the other bills are concerned.

Mr. EDWARDS of Alabama. Mr. Chairman, I thank the gentleman, and I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Missouri?

Mr. DICKINSON. Mr. Chairman, reserving the right to object, I might just inquire of the gentleman in the well, if he withdraws his amendment and if he changes his plans, would the gentleman reconsider perhaps my amendments being offered en bloc, since they all deal with one subject?

Mr. VOLKMER. If the gentleman will yield, they are in different titles, are they not?

Mr. DICKINSON. Well, yes.

Mr. VOLKMER. That is where the concern is. I would have no objection to offering the amendments in each individual title and offering those en bloc.

Mr. DICKINSON. I misunderstood the gentleman.

Mr. VOLKMER. Does the gentleman not also have the question of the amendments in procurement? Do they also go in there, or just in title I for personnel, Navy and Army?

Mr. DICKINSON. That is correct.

Mr. VOLKMER. Is that all?

Mr. DICKINSON. Page 2, page 3, page 6, page 14, but that all have to do with money for this consolidation of training, not for procurement.

Mr. VOLKMER. Well, if the gentleman wants to re-offer them with that understanding, I would like to make a parliamentary inquiry, if I can, on the gentleman's reservation of objection.

Mr. DICKINSON. I would be glad to yield.

PARLIAMENTARY INQUIRY

Mr. VOLKMER. Mr. Chairman, I would like to make a parliamentary inquiry. In the event the amendments offered by the gentleman from Alabama, which probably go to titles I, III, and IV—perhaps not IV, but III at least—anyway, to more than one title, if they were adopted, would that preclude

thereafter a general 2-percent across-the-board amendment to the same title?

The CHAIRMAN pro tempore. The amendments of the gentleman from Alabama go to at least four titles of the bill, and to the extent that they change figures by amendment, they are not subject to further amendment if adopted.

Mr. VOLKMER. Would a general 2-percent across-the-board cut, which does not actually change the figure, be in order?

The CHAIRMAN pro tempore. That would still be in order.

Mr. VOLKMER. As far as my amendments to the bill, if the gentleman from Alabama wishes to reoffer his amendments en bloc for the rest of them, I would not object.

Mr. DICKINSON. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Missouri (Mr. VOLKMER) to withdraw his substitute?

There was no objection.

Mr. DICKINSON. Mr. Chairman, I would ask unanimous consent that the amendments be considered en bloc.

The CHAIRMAN. pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The CHAIRMAN pro tempore. The Clerk will report the remaining amendments.

The Clerk read as follows:

Amendments offered by Mr. DICKINSON: And on page 2, line 19, strike "$6,456,450,000" and insert in lieu thereof "$6,448,150,000";

On page 3, line 3, strike "$2,015,900,000" and insert in lieu thereof "$2,015,200,000";

On page 6, line 4, strike "$9,097,422,000" and insert in lieu thereof "$9,115,422,000";

On page 6, line 15, strike "$11,705,155,000" and insert in lieu thereof "$11,691,755,000";

On page 14, line 24, strike "$916,708,000" and insert in lieu thereof "$917,400,000"; and

On page 56, beginning on line 1 and ending on line 4, strike section 856 in its entirety and renumber all subsequent sections accordingly,

The CHAIRMAN pro tempore (Mr. GEPHARDT). Is there objection to the request of the gentleman from Alabama (Mr. DICKINSON) to consider the amendments en bloc?

There was no objection.

Mr. MAHON. Mr. Chairman, I ask for a vote on the amendments.

The CHAIRMAN pro tempore. The question is on the amendments offered by the gentleman from Alabama (Mr. DICKINSON).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mr. DICKINSON. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

Mr. DICKINSON. Mr. Chairman, I demand a division.

On a division (demand by Mr. DICKINSON) there were—ayes 16, noes 22.

So the amendments were rejected.

AMENDMENT OFFERED BY MR. NICHOLS

Mr. NICHOLS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. NICHOLS: On page 2, line 11, delete "$9,123,499,000" and insert in lieu thereof "$9,139,299,000".

On page 2, beginning on line 19, delete "$6,456,450,000" and insert in lieu thereof "$6,463,150,000".

On page 3, line 12, delete "$7,507,195,000" and insert in lieu thereof "$7,519,295,000".

Mr. NICHOLS. Mr. Chairman, my amendment would replace in the military personnel accounts $34.6 million deleted by the House Committee on Appropriations. This reduction specified by the Committee on Appropriations was to be accomplished by placing a moratorium on involuntary separation of officers who fail selection for promotion if the separation is required under regulation rather than under statute.

I am seriously concerned about some of the policy guidance contained in the report on the bill under consideration. In particular, I am distressed by the section discussing the reduction of $34.6 million in the military personnel accounts accomplished by directing that a moratorium be placed on separation of officers who are twice nonselected for promotion.

I am concerned that any such substantive change to policy would be implemented by the Department of Defense without thorough and careful consideration by the authorizing committee with primary oversight responsibility. I am more immediately concerned, however, with the disruption that such a directive will have on the proper functioning of the officer personnel management system and on the personal lives of the officers involved. Finally, I am concerned that this policy is in direct conflict with the expressed desires of the House on its recent action on the Defense Officer Personnel Management Act (DOPMA).

The relevant section in the Appropriations Committee's report is entitled "Moratorium on Voluntary Separations of Officers." There is nothing voluntary about the separations referred to.

Existing law requires the mandatory separation or retirement of regular officers after specified periods of commissioned service if they are not selected for promotion to the next higher grade. Reserve officers, on the other hand, serve at the pleasure of the Service Secretary. As a matter of equity and rational personnel management, the regulations that apply to reserves insure consistent treatment with regard to separation as a result of failure of selection for promotion. The only difference between the officers separated under law and those separated under rgulations is that the first are called regulars, and the second called reserves. By placing a moratorium on separations under regulations, the House Committee on Appropriations is taking this—for all practical purposes—arbitrary distinction and applying different rules to each category.

The effect of the moratorium is to defer the involuntary separations of officers due to promotion failure, except for those mandated by law. The Committee on Appropriations indicates that this will save $34.6 million. However, the $34.6 million reduction in the military personnel accounts includes $12.9 million for involuntary separations which are mandated by law. I do not believe this was the intent of the Committee on Appropriations as reflected in their report.

The proposed moratorium is a major departure from current and proposed DOD officer management philosophy and practice. It is also inconsistent with past congressional sanctions that have recognized the up-or-out mechanism as a basic element of officer force management. Further, the House has, in its recent action on the Defense Officer Personnel Management Act (DOPMA), reaffirmed its strong support of the up-or-out system.

Mr. Chairman, the House of Representatives expressed its support for DOPMA, not once but twice. DOPMA has been passed by this body in this and in the last Congress. The most recent vote was 351 to 7.

Now we are being asked, surreptitiously, to reverse ourselves on one of the fundamental components of DOPMA.

DOPMA says:

Let's treat all career officers the same; let's not continue this system in which reservists are treated distinctly different than regulars.

The moratorium says:

Let's continue this nearly arbitrary distinction between regulars and reserves, and treat one category considerably different from the other.

The advisability of continuing passed-over officers in certain skills may be worthy of study. In fact, the report on DOPMA requested that Defense provide the Committee on Armed Services with cost comparisons of alternative career profiles to assist in that evaluation. Any final action, however, should be taken only after careful and complete deliberation. It would be most unlikely that the results of the deliberations would support a moratorium applicable only to Reserve officers.

In addition to the incorrect dollar reduction proposed and these fundamental philosophical inconsistencies, the moratorium would force the services to treat Reserve and Regular officers differently and, therefore, inequitably. Consistent and equitable treatment of career officers is a keystone in DOPMA. The moratorium would require the continuation of Reserve officers, who would normally be involuntarily separated under current policy, while Regular officers would continue to be involuntarily separated under current law.

There are admittedly inequities, resulting from inconsistencies, in the treatment of reserve and regular officers today. That is precisely the reason the House went forward with DOPMA. The moratorium would create new inequities, exactly opposite to the objective of DOPMA.

Furthermore, while the action may appear to reduce costs, this is only the short-term effect of deferring the separation costs to the next year. In fact, if this moratorium lasts only 1 year, this action will result in a net additional system cost of $25.1 million. In addition, if the moratorium were extended, many of these officers would reach the 18-year retirement sanctuary, and eventual retirement eligibility, thereby significantly increasing the costs.

Out of the high regard I hold for the distinguished chairman of the Commit-

tee on Appropriations, I will now withdraw my amendment. I understand where reasonable men can have differences of opinion and reach different conclusions based on the facts presented to them. I am sure that because of many other issues, of greater importance to the defense of our Nation, detailed consideration could not be given to many of the more specific areas, such as this one.

I would urge, however, that upon further consideration, perhaps during conference, the House conferees would be flexible with regard to this provision and replace the $34.6 million in the military personnel accounts.

I have received a letter from Dr. John P. White, Assistant Secretary of Defense for Manpower, Reserve Affairs, and Logistics. Mr. Chairman, under unanimous consent I will obtain in the House, I insert this letter in the RECORD at this point.

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., August 4, 1978.

Hon. BILL NICHOLS,
Chairman, Subcommittee on Military Compensation, Committee on Armed Services, House of Representatives, Washington D.C.

DEAR MR. CHAIRMAN: The House Appropriations Committee is recommending a reduction of $34 million to the military personnel accounts of the Services in the fiscal year 1979 Defense Appropriation Bill in order to effect a moratorium on involuntary separations resulting from promotion failure except where such separations are mandated by law.

The Department strongly opposes this action and solicits your support in eliminating this provision from the bill. Specifically, the proposed moratorium runs counter to current and proposed (DOPMA) management practice and philosophy. It would create the inequity of continuing Reserve officers who would normally be involuntarily separated under current policy while Regular officers would continue to be separated under current law. While the action may appear to reduce costs, this is only the short term effect of deferring separation costs to a subsequent year. In the long term, the action would increase overall costs due to increases in average grade (i.e. 0–3's for 0–1's). Finally, it would be extremely disruptive to single out and halt a particular management program pending formulation of possible future revisions to it. Any proposed changes would require legislation and to speculate on the outcome of the process by placing a moratorium on one segment of the officer population is not only unfair to those who would still be subject to involuntary separation by law, but can be a hardship on that segment of the population the moratorium presumes to protect.

For these reasons, the Department asks you to intercede on its behalf.

Sincerely,

JOHN P. WHITE,
Assistant Secretary of Defense,
(Manpower Reserve Affairs & Logistics).

Mr. Chairman, I would also like to take this opportunity to commend the distinguished chairman of the Committee on Appropriations and the members of the committee for including the funds to provide for the travel of dependents of junior enlisted personnel stationed overseas and the transportation of their household goods. I also applaud the committee's action in providing sufficient appropriations to maintain the station allowances (the cost of living allowance and the housing allowance) at the with dependent rates.

The Military Compensation Subcommittee is currently engaged in a series of hearings on the subject of junior enlisted personnel assigned overseas. We have heard testimony from a variety of Defense witnesses. We also received testimony from a number of junior enlisted personnel who are stationed in the Washington, D.C., area and who recently returned from overseas. The senior enlisted Advisers—the top NCO's in the Army, Navy, and Air Force—men who spend the majority of their time taking the pulse of enlisted personnel also testified before the Military Compensation Subcommittee.

The story was the same from all of these witnesses: The primary cause of problems among our most junior married enlisted personnel overseas is the lack of travel and transportation benefits for dependents.

But, Mr. Chairman, although the testimony to that point was convincing and unanimous, the point was driven home beyond a shadow of a doubt during a visit to Germany during the July 4 district work period. The distinguished gentleman from South Carolina (Mr. DAVIS) and I visited facilities and service members at Rhen-Main Air Force Base outside Frankfurt, Ramstein Air Force Base, Kaiserslautern Army Depot, combat units in the Fulda area, Stuttgart, and Wiesbaden.

We talked face to face and individually with over 500 enlisted personnel and dependents, the vast majority in junior grades. We listened in mess halls, dormitories, housing referral offices, exchanges and commissaries, service clubs, NCO clubs, at a border outpost, motor pool, picnic, MAC terminal, and a USO facility. I did not see one general officer while I was there and only a handful of colonels and lieutenant colonels. We wanted to talk to the young men and women affected; and we did.

These discussions confirmed that the major source of problems faced by most married junior enlisted personnel resulted from the lack of travel and transportation benefits for dependents. The overwhelming majority of junior enlisted members elect to bring their family overseas at their own expense. As a result, they incur considerable debt. In effect, they start off from behind the eight ball. The long uphill fight lowers their morale, causes family problems, lowers job performance, and in the end, has a detrimental impact on reenlistment.

Appropriating these funds is not the entire answer to problems these young servicemen and servicewomen experience when assigned overseas. But it goes most of the way. If something is to be done to help these young people—and I believe that it must—this is the single most effective action we can take.

Mr. Chairman, I applaud the actions of the Committee on Appropriations in this area and strongly support the inclusion of funds for junior enlisted travel but express considerable concern regarding the moratorium on involuntary separations of one category of officers.

Mr. Chairman, out of the high regard and respect that I hold for the distinguished chairman of the Committee on Appropriations, I now ask unanimous consent to withdraw my amendment.

The CHAIRMAN. The time of the gentleman from Alabama (Mr. NICHOLS) has expired.

(On request of Mr. MAHON, and by unanimous consent, Mr. NICHOLS was allowed to proceed for 2 additional minutes.)

Mr. MAHON. Mr. Chairman, it is my understanding that the gentleman from Alabama (Mr. NICHOLS) has asked unanimous consent to withdraw his amendment?

The CHAIRMAN. That is correct.

Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. MAHON. Mr. Chairman, I want to thank the gentleman from Alabama (Mr. NICHOLS) for withdrawing his amendment. I also wish to commend the gentleman for his kind cooperation and the fine job the gentleman has done in working with the committee. I know full well the time the gentleman has spent on this matter and will assure the gentleman that we will give this whole matter our best attention in conference.

Mr. NICHOLS. I thank the chairman.

MORATORIUM ON INVOLUNTARY SEPARATION OF OFFICERS

Mr. MAHON. Mr. Chairman, the committee has recommended a 1-year prohibition on involuntary separation, due solely to DOD regulation, of officers twice passed over for promotion; this does not prohibit separation due to provisions of law or inadequate performance. Based upon estimates provided by the Department of Defense, this 1-year moratorium will save $34.6 million.

The Defense Manpower Commission and the GAO have criticized forcing out officers who are capable of continued contributions at current rank. The committee believes that it is inequitable to force out officers right now due to impending sweeping changes in separation pay in the House-passed Defense Officer Personnel Management Act (DOPMA) as well as recent recommendations of President's Commission on Military Compensations; $34.6 million will be saved due to reduced termination costs, and reduced costs of recruiting and training replacements. The committee's action makes no change to existing law, but rather prevents DOD from forcing out individuals who are capable of sound performance at their existing rank, and who would be forced out, not through a provision of law, but by DOD administrative procedure.

The Appropriations Committee fully supports DOPMA as passed by the House, and has carefully drafted the report accompanying this bill in order that there will be no conflict between Appropriations language and DOPMA provisions should it be enacted into law.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

RESERVE PERSONNEL, ARMY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army Reserve on active duty under sections 265, 3019, and 3033 of title 10, United States Code, or while undergoing reserve training or while performing drills or equivalent duty or other duty, and for mem-

bers of the Reserve Officers' Training Corps, as authorized by law; $541,150,000.

AMENDMENTS OFFERED BY MR. MONTGOMERY

Mr. MONTGOMERY. Mr. Chairman, I offer amendments.

The Clerk read as follows:

Amendments offered by Mr. MONTGOMERY: Page 3, line 20, strike out "$541,150,000", and insert in lieu thereof "$546,650,000".

Page 4, line 3, strike out "$225,825,000", and insert in lieu thereof "$226,825,000".

Page 4, line 11, strike out "$82,725,000", and insert in lieu thereof "$83,725,000".

Page 4, line 19, strike out "$185,325,000", and insert in lieu thereof "$186,325,000".

Page 5, line 2, strike out "782,900,000", and insert in lieu thereof "$788,900,000".

Page 5, line 9, strike out "$255,477,000", and insert in lieu thereof "$256,477,000".

Mr. MONTGOMERY. Mr. Chairman, I ask uaninmous consent that these amendments may be considered en bloc. They only go to title I and do not go into any other title.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. MONTGOMERY. Mr. Chairman, I will be brief. I explained this amendment during the general debate, and both sides of the aisle generally understand the amendment.

What I am doing is adding $15.5 million to the incentive program for the different branches of the Reserve, the National Guard and the Reserve Forces. I am amending these different accounts that are provided for the Reserve and National Guard.

I might say, Mr. Chairman, that the House Committee on Appropriations has been helpful in this area. In the bill they have provided $9.5 million, whereas the administration only recommended $500,000. My amendment would raise the total for incentives for National Guard and reservists up to $25 million.

Why would I request this raise, Mr. Chairman? Because it has become absolutely necessary that we provide incentives for the Reserves if they are going to survive.

I would like to make a matter of record that I would hope my amendments not only would include the enlistment and reenlistment bonus provision, but also would include educational incentives.

Mr. Chairman, these amendments are totally supported by the Assistant Secretary of Defense for Manpower, Dr. John P. White. We have talked to him on the phone. He hopes these amendments will be adopted. They are also supported by Dr. Chase, who represents the Department of Defense in Reserve Affairs.

The strength levels of the National Guard and Reserves have been going down, down, down. They are now 15 percent short of the authorized strength. We are short 58,000 guardsmen and reservists.

Mr. Chairman, I might say that of the selected reserve in the Army Guard and in the Air Guard, 50 percent of the combat missions are now assigned by the regular to the Army Guard and to the Air Guard. The Ready Reserve has almost disappeared on us. These incentives will help the Ready Reserve.

Actually, this will not be an overall add-on to the amounts of money that have been appropriated by this committee. We are not going to make the strength levels, and we are going to have about $200 million left over and so we are not adding money to the program.

Mr. Chairman, this is a modest amount of $15.5 million which we are asking for, and I certainly hope these amendments will be adopted.

Mr. Chairman and members of the committee, not only does the National Guard and the Reserves come to the fore in times of military action, but also in the case of natural disasters. Today a number of Guard units are out across the country doing their job.

Mr. Chairman, I hope that the amendment will be adopted.

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

Mr. MONTGOMERY. I am pleased to yield to the gentleman from Texas, the chairman of the Subcommittee on Military Personnel of the Committee on Armed Services, whose authorization bill called for $25 million.

Mr. WHITE. The same amount; yes.

Mr. Chairman, I thank the gentleman for yielding.

The gentleman made reference to Assistant Secretary of Defense John P. White.

I would like to recite from a letter the Assistant Secretary addressed to me regarding the incentives. He said the following:

In sum, it is desired that the educational assistance program be authorized for FY 1979. The Department would use the authority to measure the efficacy of such a program in attracting and retaining the higher mental category people in the enlisted ranks of the Reserve program. I believe we need to enhance the attractiveness of the Guard and Reserve and that educational assistance will contribute to that end.

The fact is that the Active Reserve are something like 62,000 understrength at this time; is that not correct?

Mr. MONTGOMERY. That is correct, of the selected Reserves. These are the men and women who have the assignments in combat. We are 15 percent short of these high priority reservists.

If we do not adopt these amendments today, we will be confronted with two choices. We will have to find something else besides the Reserve or the National Guard, or we will have to go back to the draft, to the Selective Service System. We have no other choice.

Mr. WHITE. If the gentleman will yield further, is it not true that in the course of our hearings on various topics, the experts told us that educational benefits, they felt, were the best incentives in order to build the Reserve Forces? Yet, the Appropriations Committee did not include any educational benefits in the Reserve programs they funded; is that not correct?

Mr. MONTGOMERY. That is correct, but I do not think really that was the fault of the House Committee on Appropriations. The Department of Defense was not strong in this area. They are now taking a strong stand, and also we had not passed out the authorization bill at that time.

Mr. WHITE. But the point is we need educational incentives in order to fulfill our obligations.

The CHAIRMAN pro tempore. The time of the gentleman has expired.

(At the request of Mr. DOWNEY, and by unanimous consent, Mr. MONTGOMERY was allowed to proceed for 2 additional minutes.)

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

Mr. MONTGOMERY. I will be glad to yield to the gentleman from New York.

Mr. DOWNEY. I thank the gentleman for yielding.

We have talked about this before in the Personnel Subcommittee. Could the gentleman tell me how much money was authorized and appropriated last year for the incentive program? Does the gentleman know offhand?

Mr. MONTGOMERY. Yes. It was $5 million, and the Department of Defense only spent half of that. But in the authorization bill on which the gentleman and I serve, on the same Personnel Subcommittee, we said in the legislation last year if you have any shortfalls in your strength level in the National Guard Reserve, you should transfer those funds in the pay account and put more money in incentives. The Department of Defense did not do this, and I do not know why. The strength levels are low, and they should have transferred these funds over. They did not follow the instructions of the Congress, the same thing the gentleman from Florida (Mr. SIKES) brought up in the previous amendment.

Mr. DOWNEY. Could the gentleman tell me what the gentleman from Texas (Mr. WHITE) was talking about when he talked about educational incentive? Was he talking about a dollar figure, or was he providing for an experimental programs?

Mr. MONTGOMERY. Yes. These incentives are left up to the Department of Defense. They are optional. If they want to use reenlistment in the State of New York and enlistment in the State of Florida, or incentives specifically in Maine, they could do it differently in different States. It is $2,000 for an individual signing up for 6 years to serve in the Reserve.

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

Mr. MONTGOMERY. I will be glad to yield to the gentleman from Texas.

Mr. WHITE. I thank the gentleman for yielding.

There is no specific amount allocated, as the gentleman in the well has said, but a fair breakdown that was calculated by one expert working out these incentives was something like $6 million for educational assistance, enlistment bonuses plus, $2 million, and reenlistment bonuses $7.5 million.

The CHAIRMAN pro tempore. The time of the gentleman has expired.

(At the request of Mr. ADDABBO, and by unanimous consent, Mr. MONTGOMERY was allowed to proceed for 2 additional minutes.)

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

Mr. MONTGOMERY. I yield to the gentleman from New York.

Mr. ADDABBO. I thank the gentleman

for yielding. I wish to compliment the gentleman in the well as a great authority in this field, and I respect his opinions very strongly.

The Committee on Appropriations had large House-Senate varying figures before it when it decided on the $9.5 million, which is actually $9 million over the original request by the administration. The thing that concerns me with the large increase requested is, does the gentleman feel that with these large dollar incentives being given to the Reserves that they will be in immediate competition, in large taxpayer-dollar competition, with the incentive programs trying to get men and women to enlist in the regular forces?

Mr. MONTGOMERY. I think not only will it be in competition with the regulars, which I do not have any problem with, I will say to the gentleman, we are also in competition with the colleges and universities to attract these young men and women into the Reserve. I wish the incentive of patriotism would bring these young people into the Guard and Reserve, and also into the regulars, but I really do not think that is a big problem, in answer to the gentleman's question. But for years my experience is that we have been in competition with the regulars, trying to get young men, young people, into the Guard and Reserve. Yes, there is some competition.

Mr. ADDABBO. The gentleman does not feel there would be a greater incentive for a young man to go into the Reserves rather than into the Regular Army and Navy?

Mr. MONTGOMERY. I think there are different types—we are changing now—where we hope that the Guard and Reserves can get college students and let them take their basic training in the summer, break it up into two summers. We think that is opening for us, and there are different types, those who belong in the regulars and those who belong in the Reserves, which we are not getting at this time and we need them.

Mr. ADDABBO. I thank the gentleman.

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

Mr. Chairman, it grieves me, I say to my colleagues, to oppose this amendment offered by the distinguished gentleman from Mississippi, who is a man of great distinction. The gentleman has done a good job in the Congress and the gentleman is my friend.

Mr. Chairman, what we have tried to do in this bill, and we worked on it for many months, was to bring out the best bill we could. We put more than $5 billion in this bill for operation of the Guard and the Reserve program, some portions of which were over the budget request.

Now, some reference has been made to the Assistant Secretary of Defense for Manpower, Dr. White. Dr. White of the Pentagon supported the authorization, but there is no evidence that Dr. White, or the Defense Department, or the Office of Management and Budget, or the President is in support of the amendment which has been offered to the appropriations bill. As Members know, these bonuses would go for enlistment, for reenlistment, and for educational benefits. Young people who want to go into the Reserves would be offered, under this program, part of their educational expenses.

The report we received from the Defense Department is that the Reserve compensation system study, which was completed on June 30, 1978, questioned the effectiveness of the program.

The report further states that six States, Arizona, Idaho, Louisiana, Mississippi, Nebraska, and Nevada, currently operate similar programs for the National Guard, without noticeably favorable results. The Committee on Appropriations does, however, believe in the incentive program. We have done the best we could with this problem. We put in the bill $9 million above the budget request. There was a budget estimate of only $500,000 for any of these funds for this purpose. The proposed amendment would increase the funds to $25 million above the budget. It seems to me that we should not expend those funds at this time. The $9 million included by the committee for the Reserves, for the incentive program, will be helpful.

There may have been some overfunding for some of the Reserve programs if they fail to meet authorized manning levels. Later in the year, if necessary, some action could be taken to provide benefits in the form of educational bonuses by reprograming within these available funds.

So, Mr. Chairman, I would hope at this stage of the game we would vote down the amendment and see what develops later on. I ask that the amendment not be approved.

Mr. SIKES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I compliment my distinguished friend from Mississippi for this and many other meritorious services and, in particular, for offering this amendment, which I support.

Mr. Chairman, for years we have heard of the essentiality of the Reserve components to America's Armed Forces. We have recognized the fact that in peacetime we cannot allocate sufficient funds to defense to permit a full scale regular force to be maintained. For the cost of one regular in today's All Volunteer Force, we can have six reservists. It is, of course, essential that the Reserves be trained and equipped for immediate availability. Seldom has this been possible. Primarily, the problem has been that of equipment. Time and again Congress has appropriated money for equipment for the Reserves only to find it sent elsewhere in periods of emergency—to Southeast Asia, the Middle East, or wherever an emergency occurred affecting us or our friends. At the moment, that needed equipment is going to the Reserves. The process is slow because we buy in such limited quantities. It will take a number of years to update their requirements for modernization.

However, an even more pressing problem is in retaining reservists in adequate numbers. There is no longer the compulsion of the draft, which sent a great many men into the Reserve components. In today's America there is not as much appeal for patriotic service, unfortunately, as in prior years. Service in the Reserves requires time and effort that many people are now reluctant to give.

We have bolstered the all-volunteer concept by many benefits to encourage enlistments and longevity. We have not done this for the Reserve components.

We shall have to strengthen the Reserve components if they are to fulfill their mission and to have personnel available in adequate numbers in time of emergency. This amendment will help. Congress must accept the responsibility to prod the Department of Defense into a more adequate recognition of the need for incentives to overcome serious problems of enlistment and reenlistments. Unfortunately, some in the regular military establishments do not concern themselves sufficiently with the problems of the Reserves until the shooting starts and cannon fodder is needed.

The Congress is more alive to this problem. Congress can and should act. The Armed Services Committee have authorized funds for enlistment bonuses, reenlistment bonuses, and educational assistance. The National Guard and Reserves need your support for the amendment. I do not believe it will be possible to obtain the number of personnel needed for a fully functional reserve organization without the additional incentives provided by the amendment.

I congratulate my distinguished friend from Mississippi (Mr. MONTGOMERY) for offering the amendment and I strongly urge its adoption.

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

Mr. SIKES. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Chairman, I thank the gentleman for yielding and for his support.

I would like to emphasize several matters that the gentleman has touched on and that I mentioned earlier.

How the Defense Department spends these funds, whether it is for an enlistment, reenlistment, or educational incentive, is optional with the Defense Department. We are not telling them exactly how to spend the money, but we are telling them to use the incentives.

I might say that the authorization bill which was passed by this House without a dissenting vote only last Friday contained $25 million for incentives, and this amendment corresponds and tracks with that bill. Last year in the authorization bill we directed that if strength levels continued to fall off in the Reserves that the Defense Department take action such as incentives. But the Defense Department in effect did nothing much to implement incentives.

We said to them, "If you need funds, reprogram and transfer funds into the incentive program." They took no action at all.

We have word from Dr. White on this. I do not have it in writing, but we talked with his office last Thursday, and he said we could quote him and use his name saying that he would support this amendment. He runs this manpower program.

Mr. Chairman, I thank the gentleman from Florida (Mr. SIKES) for his support.

Mr. SIKES. Mr. Chairman, I am glad to have the contribution of the gentleman from Mississippi (Mr. MONTGOMERY).

Mr. BEARD of Tennessee. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I think the situation is really somewhat worse, as far as the shortage with which we are dealing is concerned, than what is reported.

I am not going to spend too much time on this amendment, because it has been ably represented as to the need to improve our National Guard and our Reserve forces. The major concept of the all-volunteer service is "a small active duty force, supplemented by larger and better trained Reserves." It is the present failure of this concept that concern me.

We have the Department of Defense speaking out about how great the all-volunteer service is working today, but I want to take this opportunity to speak to the Committee on Appropriations and also to speak to the members of the Authorizing Committee and say that things are not that great. We talk about incentives. I wish the Members would read the advertisement in the Readers Digest on the All-Volunteer Army. Here are some of the headlines:

"See Europe through the Army's eyes."

"Sailors have more fun."

We have advertisements displayed with young military men riding camels around the Pyramids.

"Get a free college education."

"A 30-day paid vacation."

"Free medical benefits."

"Learn a trade."

They go right on down the line, and there is not a single word in any of these advertisements about what may happen or, by the way, you may find yourself in a foxhole some day or that you could be out training in 20-degree weather in the middle of a field. All these wonderful incentives and the emphasizing by our recruiters that these incentives are what the Army is all about—it is the emphasis of these incentives that is causing up to 40 percent of the young people joining our military to quit before their first tour of duty is complete.

But we need to see what we are getting. Are we getting a dollar's return of quality for what we are paying?

Dr. White says we are getting a better quality in the All-Volunteer Army.

Do the Members of the House know that the Army is now spending millions of dollars rewriting all its training manuals and downgrading the reading level from the 11th grade to the 8th grade? Do we know they are putting their manuals out in the form of comic books?

How many people know the Army is now appropriating and setting aside millions of dollars to establish reading schools just to teach the young recruits how to read, because up to 30 percent of the kids coming today cannot read at all or can only read up to the seventh grade reading level.

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

Mr. BEARD of Tennessee. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. I thank the gentleman for yielding, and I want to compliment the gentleman on the position he has taken. The gentleman was going to emphasize, I thought, that we need the Reserves or we do not have the Regulars in either branch of the Service. That was the point, I am sure, that the gentleman was going to emphasize.

I rise in support of this amendment appropriating additional funds for the Reserve recruiting incentive program. This amendment would add $15.5 million to the $9.5 million already included in the defense appropriations bill—a total of $25 million—a sum which is still considerably less than that which was originally authorized. These funds would provide an education tuition assistance payment to attract non-prior-service recruits and a bonus payment for prior service personnel.

We are all familiar with problems existing in today's military and with efforts to improve the condition of our backup forces. The drill strength levels of the National Guard and Reserves are at their lowest levels in recent years. Additionally the pool of filler personnel in the individual Ready Reserve is the lowest in over 20 years. The situation must improve if our country expects to have a responsible and responsive deterrent force.

At the time the draft was discontinued, Congress recognized the need for incentives to support the All-Volunteer Force and to spur recruiting and retention efforts and promised these incentives for both the Active and Reserve Forces. A number of incentives have been provided for the Active Forces, but funds for a permanent Reserve incentive program have not been forthcoming. At this time, there is no plan to reinstitute the draft. However, unless we are willing and able to attract new recruits and retain competent men and women, we are going to have to consider some other way to meet our service personnel requirements.

I personally feel that we cannot afford not to take some immediate action to insure that there is a sufficient input of non-prior-service personnel that provides such a large percentage of our deployable forces. We must take the responsibility for correcting the current shortage of personnel by providing adequate incentives for their recruitment and retention and for this reason, I strongly support the pending amendment.

Mr. BEARD of Tennessee. Mr. Chairman, without any question, they say that the all-volunteer service is working, but yet they will be quick to point out that it is the active duty. We cannot separate the two. The Reserves and the active duty go hand in hand.

How many people have pointed out, from Dr. White's office of the Department of Defense, that our individual Ready Reserve has gone from 900,000 men to approximately 100,000 men in the period of 4 years? How many people have pointed out the fact that, by the way, if we have an outbreak of hostilities in NATO, the Army will be over 500,000 men short within a 60-day period?

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

Mr. BEARD of Tennessee. I yield to the gentleman from New York.

Mr. GILMAN. I thank the gentleman for yielding, and I want to commend the gentleman from Tennessee for focusing attention on this important amendment.

Mr. Chairman, I also want to commend the gentleman from Mississippi (Mr. MONTGOMERY) for having introduced this amendment and I rise in support of his amendment to H.R. 13635, the defense appropriations for fiscal year 1979, increasing funds for reserve recruiting increases.

Our Reserves are an essential part of a strong defense posture. Unless we provide the proper incentives, we are going to further erode our defense posture.

Spokesmen for National Guard and reservist units in my district have on many occasions expressed their concern to me that personnel levels in their units are not at levels equal to the task this Nation demands of its reservists. They strongly support rsponsible measures to reverse the current erosion in the strength of Reserve units. I believe this amendment to be such a measure.

The critical personnel shortage in the Reserve and National Guard is such that recent estimates indicate that both these units fall 58,000 short of their congressionally authorized strengths. Ready Reserve units of all Reserve units are short over 151,500 or 16 percent of peacetime manning goals of 946,300. Given these personnel levels, there is little doubt concerning the need to provide our reservists the opportunity for enlistment and reenlistment bonuses, and for educational assistance incentives.

Mr. Chairman, enlistment and reenlistment bonuses as well as educational assistance programs should prove the necessary means to reverse the trend of manpower shortages. To those who claim that an educational assistance program will place the Reserves and Active Forces in competition for enlistees. I submit that both these forces will inevitably compete for enlistees. Moreover, I believe that educational assistance program warrants an equitable trial run, and point to recent statements by the Assistant Secretary of Defense for Manpower, Reserve Affairs, and Logistics, which indicate strong support for testing this program.

Accordingly, I urge my colleagues to support this amendment in order to help bring our Reserve Forces to those levels adequate for our Nation's defense.

Mr. BEARD of Tennessee. Mr. Chairman, we keep pointing out these incentives. We are just now in the process of passing on the question of allowing for the shipment of household goods and for travel of dependents of lower enlisted ranks over to Europe. No one has looked at the situation as to what we are going to do with these dependents when they get there.

The CHAIRMAN. The time of the gentleman from Tennessee (Mr. BEARD) has expired.

(By unanimous consent, Mr. BEARD of Tennessee was allowed to proceed for 3 additional minutes.)

Mr. BEARD of Tennessee. Mr. Chairman, I would like to take this forum to point out to the Members of the House that no one has asked what we are going to do with these dependents when we get them over to Europe. No one has pointed out the problems we are facing today. Today I am asking the Department of the Army and the Department of the Air Force to declassify documents dealing with the lack of medical care, that they are not able to provide medical care for our military in the Air Force and the Army today in the NATO scenario. The situation is so horrendous that they have had to classify as secret the particular specifics dealing with our medical care. But, no, our answer is more incentives. With more incentives we will make the volunteer service work.

How many people have talked to a company commander in NATO who has been involved in an alert over in NATO, where the responsibility is upon the battalion commander for these unmarried mothers, children, and dependents who are in the service? When an alert comes about they have to take their children to battalion headquarters.

I think it is time we start looking around to spend some of our money to make the military a combat-ready unit. I do not think the military can become a social welfare or an educational unit. Where are the incentives going to end? I use this as a forum to call on the Appropriations Committee, the authorizing committee, that we need to start looking as to how we can get high-quality men in the service.

The Army today in category 3–B has gone from 32 percent to 49 percent in less than 4 years. In category 4, which represents approximately 10 percent of the Army, I think it is a sad statement when we have to point out that about 60 percent of today's Army is below the 50 percentile. That is a sad commentary.

So I hope that one of these days we will start showing some political guts and start asking some harsh questions of our Defense Department and quit putting up with the bunk that is being put out by Dr. John White and the Department of Defense.

What is the solution to the problem? The first solution is to acknowledge that there is a critical problem in the All-Volunteer Army and that one of the possible alternatives to be considered is some form of the draft.

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

Mr. BEARD of Tennessee. I am happy to yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Chairman, I certainly support the gentleman's remarks. I would just like to reemphasize that patriotism and love of country should be mentioned again, and if the volunteer system is going to work somebody has got to volunteer.

Mr. BEARD of Tennessee. I agree with the gentleman totally, and I support his amendment.

Mr. EDWARDS of Alabama. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I hope the gentleman from Tennessee will not go away. What the gentleman from Tennessee has been saying is entirely right, but let me say this. If this subcommittee had come to this floor with provisions such as the gentleman from Tennessee was talking about, we would have been rolled so bad that it would have been embarrassing.

There is no question about the fact that we are spending millions, and perhaps billions of dollars, trying to attract young men and women into the volunteer service. I do not know where it is going to end. It may end by going back to the draft. But in the meantime, as long as there is no force that takes people into the service, surely the Reserves and the Guard are suffering because we know that the Reserve and the Guard, in great part, have their strength from those who do not want to get drafted and go off to the service.

So, when we have a volunteer service, then our strength drops off in the Guard and Reserve. The question is this: How do we get young men and women to join the Reserve and the National Guard? That is something that not only concerns the gentleman from Mississippi, it concerns our committee, it concerns the Defense Department, and it concerns all the Guard and Reserve units.

So, we had some hearings on this subject. We had the Reserve generals and admirals in, and by and large Admiral Charbonnet, for example, who is head of the Navy Reserve, felt very strongly that the decision on what bonuses and incentives should be offered should wait on the Reserve compensation system study that the chairman spoke about. General Guice, who is head of the Air National Guard, spoke on the subject. He said that he would place reenlistment bonuses before educational assistance and enlistment bonuses, so everybody is talking about it.

The Reserve compensation study was done, and it found that it was not really cost effective; that may not be the best way. The committee has to put all this material together and try to find the right answer. The committee, I think, felt that we just cannot throw money at a problem and resolve it. So, what we did was to put in $9 million to provide for limited testing of these enlistment and reenlistment bonus systems to see if that will encourage young people to come into the Reserve and Guard. If that works, great. If it does not work, some variation might work, or we can take other action.

But, just to add another $15.5 million when everything we have seen suggests that it is not necessarily a tried and true approach to recruitment is wrong, I think. We will have another year to look at it. We will have another year to decide from the test that is being conducted by the Army whether this is the right way to go or whether we need other things. But in the meantime, we have to be just a little careful that we do not attract so many people into the Reserve and Guard that would otherwise go into the Active Forces and end up with a real problem with the Active Forces.

So, let us work on this test; let us find the best way to do it, and I am sure we will be back here next year with a system, or a plan that can be justified.

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

Mr. EDWARDS of Alabama. I yield to the gentleman from Virginia.

Mr. ROBINSON. Mr. Chairman, I want to support what the gentleman has had to say, and say something with regard to the attention that the chairman of the committee has given this matter. Certainly, it is not accurate to state that it has not had a thorough review. We know that of the money that was appropriated for the purpose that the gentleman from Mississippi would further support this year, last year, of the $5 million, the Defense Department only used half of it. So it is obvious that they had difficulty finding a way to spend even half the amount that the committee has placed in this bill.

The CHAIRMAN. The time of the gentleman from Alabama (Mr. EDWARDS) has expired.

(On request of Mr. ROBINSON, and by unanimous consent, Mr. EDWARDS of Alabama was allowed to proceed for 2 additional minutes.)

Mr. ROBINSON. Mr. Chairman, if the gentleman will yield further, the chairman made the point, which is well taken, that there is in this bill $4.9 billion for the Reserves. They are not without notice in the bill, and the committee has seen fit in addition to adding this $9 million, to add $80 million to the account for the Reserves for the operating accounts.

The reason that there is not more in this specific area is because we feel that the status of the Reserves and the National Guard in particular needs to be upgraded as far as its image in the public eye is concerned. Thus we have in the bill an increase of $31.4 million for the Army National Guard alone, which would be to cover enlisted pay rates, training assemblies, school training, and special training courses, things that are in there to enhance the image of the Guard and of the Reserves and make them better and more attractive.

We cannot correct this problem simply by spreading money on it. That is exactly what I think would be the case. Let us get the results of the studies, as the gentleman suggests, and go forward from there.

The Reserves are not badly considered or badly funded in this bill.

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

Mr. EDWARDS of Alabama. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Chairman, that has been the whole problem. The Army and the Defense Department want to continue to study, and the strength levels have been going down, down, down. They have not implemented these programs. We are not asking for a lot of money—this is less than the cost of one F–14—to try to get the National Guard and Reserve strength levels at a decent level.

The CHAIRMAN. The time of the gentleman from Alabama (Mr. EDWARDS) has expired.

(By unanimous consent, Mr. EDWARDS of Alabama was allowed to proceed for 2 additional minutes.)

Mr. EDWARDS of Alabama. Mr. Chairman, the problem, if I may say to the gentleman, is that we do not know if the enlistment bonus will solve the problem, and that is one of the reasons for the testing that is going on.

No. 2, the gentleman wants only $15.5 million next year, but where does this lead down the road in an untried and an unproven program? The gentleman knows that once this program starts, whether it is working or not, it is in the books from now on. That is the point. We need to know where we are going before we start on it.

Mr. MONTGOMERY. Mr. Chairman, we have been studying this issue for years. I have been talking to the gentleman from Alabama ever since we have been in the volunteer era, saying that we had to have incentives for the National Guard and Reserves. For 3 or 4 years the Reserves were able to keep up their strength levels. They are not able to do it now.

The Defense Department will admit that the reenlistment program is working. They have done this program in five States and it is working.

If they will just move out, we will solve our problems and the strength levels will come up.

The gentleman is right. It will cost money, but we have to go either to the draft or we have to give the Reserve some incentives.

The CHAIRMAN. The time of the gentleman from Alabama has again expired.

(On request of Mr. BURLISON of Missouri, and by unanimous consent, Mr. MONTGOMERY was allowed to proceed for 1 additional minute.)

Mr. BURLISON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of Alabama. I yield to the gentleman from Missouri.

Mr. BURLISON of Missouri. Mr. Chairman, I commend the gentleman on his remarks. I think he is eminently correct in emphasizing that the committee has taken a prudent and reasonable course in going $9 million above the budget. We have been told in testimony before our subcommittee that the Department of Defense has some surveys, studies, and evaluations underway related to this problem at this time. It is perfectly reasonable and proper that we await the outcome of these.

I hope the committee will stay with the full Committee on Appropriations on this issue.

Mr. DOWNEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think the gentleman from Mississippi points out one of the major problems with the All-Volunteer Forces. I think it has been adequately addressed by my friend from Tennessee and the other speakers before me. What we find with the problem of the Reserves is the same thing we find in maintaining the All-Volunteer Forces, in order to attract more people to it, it becomes increasingly evident that we will have to provide more and more money.

As the gentleman from Tennessee pointed out, we now have to provide additional money to send dependents over to Europe, and we need to provide additional money for housing. One has to wonder whether or not in the event of a crisis that the individual soldier would not be more interested in moving his family away than in fighting a Warsaw Pact onslaught.

It is a terrible problem.

The question of the Reserves is part of that problem. We are not attracting people to the Reserves. We have never done a really good job of attracting people to the Reserves because there is no incentive to go there. The greatest incentive we have had for the Reserves was Vietnam and then the draft. The people wanted to go into the Reserves in great numbers in order to avoid the draft. Now that the draft is over there is no incentive to go into the Reserves, and we find them facing increasing shortfalls in wide areas of the National Guard and the Army Reserves in particular.

The question then becomes: How do you solve this problem? Do you solve it by providing modest educational benefits or reenlistment bonuses? I do not think so, although I would certainly be supportive of the committee providing $9 million for a program of testing to determine whether or not it will work.

If you want to attract people into the Reserves I think you will only be able to do it only if you provide adequate training and interesting assignments.

A recent study that was done by the General Accounting Office 3 years ago indicated that the highest priority for a reservist to reinlist and join the Reserves was when he had something to do when he was in the Reserves.

Go out to some of your units and find out whether or not the searchlight artillery battery unit, or the band unit, or one of the other Reserve units are actually doing anything. Find out what their mobilization date is. Half of them, according to the GAO study, did not have a mobilization date. They did not know when they would be called up.

In the Army Reserve there are civilian affairs units that are mobilized a full year after the war starts, to go in and take care of occupied territories.

Are these the sort of things you should provide to induce an incentive for joining the Reserves? Of course this does not. If you want to provide incentives for individuals to join the Reserves, then you have got to provide them with meaningful things to do. That is one of the things you have to do, in order to make life in the Reserves comfortable for the commanders and the superstructure, to release some of the burden and paperwork of recruiting from them, and that requires active integration of the Reserve units with the active forces, so that they can be organized at the battalion unit or unit level with the active duty forces, so that they feel they are part of the total force structure.

That is being done, slowly, but it is being done just like that is the whole answer to the reserve question. They are getting a number to have particularly meaningful assignments, but if you want to just have a particular clarinetist available for a battalion in New York City for his band unit, so as to provide him with an opportunity to get $2,000 for his education, and a reenlistment bonus, then you are wasting the taxpayers' money.

I would say to you that the areas where the units are short are in the North and in the East, not so much in the South and in the Southwest where people are interested in units where they are more actively affiliated with active units. The money will go to northern and eastern units.

There really are no shortfalls, but in the clarinet units or in the civil affairs units, these are where we find a shortfall. This is where some of the money will go, not a lot of it, I will admit to the gentleman; but certainly enough of it. Therefore, I think this money will not be well spent.

It was mentioned before that Mr. White, who is in charge of personnel and manpower, was in favor of this program.

Let me quote to the Members what Mr. White's boss, Harold Brown, had to say about this program. It reads as follows:

"I don't want to go ahead with a big program of additional incentives". In addition, the President's Reserve Compensation System study recently questioned the cost-effectiveness of an educational assistance bonus based upon data available from programs operated in six different states for National Guard units.

The CHAIRMAN. The time of the gentleman from New York (Mr. DOWNEY) has expired.

(On request of Mr. MONTGOMERY and by unanimous consent, Mr. DOWNEY was allowed to proceed for 2 additional minutes.)

Mr. DOWNEY. Mr. Chairman, to continue, there is money for this program. The additional money is not going to draw any new people to it.

I think an experimental program of $9 million is more than adequate to find out whether or not we have already provided an adequate incentive.

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

Mr. DOWNEY. I yield to the gentleman from Mississippi.

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

On the designation of these Reserve units; the Reserve and National Guard have nothing to do with that. These designations are made by the Defense Department. I agree with the gentleman from New York that some of these designations should be changed, but the gentleman cannot blame that on the National Guard and Reserve. That is not their fault.

I totally disagree with the gentleman's other statements about clarinet players and so forth. I think we need bands in the National Guard and Reserve. Besides being in the band, these reservists are trained as medics and security forces for certain military headquarters.

The readiness time the gentleman mentioned is also set by the Department

of Defense. If they say 90 days or 120 days to move out to fight in Europe that is set by Department of Defense.

Mr. DOWNEY. Mr. Chairman, will the gentleman agree with me that there is nothing to prevent this program, if it is fully implemented, from providing incentives to civil affairs units in the Army Reserve, to band units, to searchlight artillery battery units? Can the gentleman explain to me searchlight artillery batteries? When is the last time those units were needed?

Mr. MONTGOMERY. I say again, the designations are set by the Department of Defense; maybe some units should be changed, but this is left up to the Department of Defense. The incentives are not going to every unit in the Reserve but to those high priority units namely combat units such as infantry and artillery.

Mr. DOWNEY. Would the gentleman be willing to put an M-plus-30 addition to his amendment to say that these incentives could only go for combat specialties?

Mr. MONTGOMERY. I think that should be under the authorization bill and not in order here today.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. Members standing at the time the unanimous-consent request was made will be recognized for 45 seconds each.

The Chair recognizes the gentleman from Wisconsin (Mr. STEIGER).

Mr. STEIGER. Mr. Chairman, in 45 seconds it is difficult, at best, to respond what I think is best classified as the summer doldrums. Whether it is the Washington Post yesterday or the debate that has been carried on on this floor, I must say that I am appalled. The attack that is made, whether it is on the on-volunteer force or the competence of the Subcommittee on Appropriations or the efforts of the National Guard and Reserves, seems to me misses the point.

The gentleman from Mississippi (Mr. MONTGOMERY) has a well-considered, thoughtful amendment. It ought to be supported. It ought to be supported if, for no other reason, than the fact that we are trying to get the Committee on Appropriations off its dead bottom so that it can start paying more attention to what is going on in the volunteer force and stop resisting efforts to make the AVF work.

(By unanimous consent, Mr. MONTGOMERY yielded his time to Mr. WHITE.)

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. WHITE).

Mr. WHITE. Mr. Chairman, to be very brief, this Congress removed the draft. Consequently, the Reserves have dropped off something like 62,000 in the Active Reserve and some 300,000 in the Inactive Reserve.

Mr. Chairman, if we are attacked in Europe with about 4 days of warning, it seems logical that our Reserves are what are going to make the difference between victory or defeat.

At the present time we are falling off on enlistments of mental category 1 and 2. Educational incentives for Reserves is one way to supplement these categories with students who do not desire to be taken away from their school activities.

These incentives, the educational incentives not provided by the Committee on Appropriations, but will induce people to join the National Guard and Reserves, so I urge you to bring the appropriation amount up to $25 million, which the authorizing committee provided in the conference report in order to fulfill our responsibilities toward the very dangerous Reserve deficit we now have.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. DOWNEY).

Mr. DOWNEY. Mr. Chairman, the last time the units of the Reserves and the National Guard were used actively in combat was in the Korean war. I think if we take a look at some of the appalling casualty figures for some of the units we sent over there, with inadequate training and inadequate staff, we will understand some of the principal problems. We did not use but two units in Vietnam.

If we are to use the Reserve units today, then we have got to tighten up the combat units, provide them with adequate equipment, provide them with adequate training, and provide them with adequate incentives. But if this happens, if it is 25 percent of the Reserve force, it is a lot. Most of the Reserve forces do not have targeted mobilization dates. They are not actively affiliated with active units, and we will be providing them with more than enough money with the existing money the Committee on Appropriations has provided for education incentives.

The CHAIRMAN. The time of the gentleman from New York (Mr. DOWNEY) has expired.

The Chair recognizes the gentleman from California (Mr. LLOYD).

Mr. LLOYD of California. Mr. Chairman, I think the amendment is a good amendment. I think it merits consideration. I do not disagree with my good friend and colleague, the gentleman from New York. There are inadequacies in the system; there is no argument about that. And we have to address ourselves to that point. There is no argument about that. But there is also no argument about the situation as it exists in the world today, and clearly I think this begins to address itself to that. I think it is time that this House took a good look at its defense posture and just who is going to respond when the time comes for that response.

The CHAIRMAN. The time of the gentleman from California (Mr. LLOYD) has expired.

The Chair recognizes the gentleman from Taxas (Mr. MAHON) to close debate.

Mr. MAHON. Mr. Chairman, the problem before this Congress and this country is what to do about the All-Volunteer Army. Of course, recruits for the Reserve are hard to come by under present circumstances. Nobody has an adequate answer as to what to do about the situation. I do not have; the committee does not have; I do not know anybody who has the answer. But the present system is leading us more or less toward a very intolerable situation in the coming years, so there is no use to try to patch this situation up with the amendment at this time (and I urge the House to vote the amendment down.

The CHAIRMAN. All time has expired.

The question is on the amendments offered by the gentleman from Mississippi (Mr. MONTGOMERY).

The question was taken; and on a division (demanded by Mr. MONTGOMERY) there were—ayes 35, noes 26.

Mr. VOLKMER. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. One hundred Members are present, a quorum.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Missouri (Mr. VOLKMER) for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device and there were—ayes 257, noes 121, not voting 54, as follows:

[Roll No. 651]

AYES—257

Abdnor	Dicks	Ireland
Akaka	Dingell	Jeffords
Alexander	Dornan	Jenrette
Ammerman	Duncan, Oreg.	Johnson, Calif.
Andrews, N.C.	Duncan, Tenn.	Jones, N.C.
Andrews, N. Dak.	Edwards, Okla.	Jones, Okla.
Annunzio	Eilberg	Jones, Tenn.
Applegate	Emery	Kastenmeier
Archer	English	Kazen
Ashbrook	Ertel	Kelly
Badham	Evans, Del.	Kildee
Bafalis	Evans, Ga.	Kindness
Bauman	Evans, Ind.	Krueger
Beard, R.I.	Fascell	Lagomarsino
Beard, Tenn.	Fish	Latta
Bennett	Fithian	Leach
Bevill	Flippo	Lederer
Biaggi	Flood	Leggett
Blanchard	Florio	Lent
Boggs	Flynt	Levitas
Bowen	Foley	Livingston
Breaux	Ford, Mich.	Lloyd, Calif.
Breckinridge	Forsythe	Lloyd, Tenn.
Brinkley	Fountain	Long, La.
Brooks	Frenzel	Long, Md.
Broomfield	Fuqua	Lott
Brown, Mich.	Garcia	Lujan
Broyhill	Gaydos	Luken
Buchanan	Gibbons	McClory
Burgener	Gilman	McCormack
Burleson, Tex.	Ginn	McDade
Byron	Glickman	McDonald
Carney	Goldwater	McKinney
Carter	Gonzalez	Madigan
Cavanaugh	Goodling	Marks
Cederberg	Grassley	Marlenee
Chappell	Gudger	Marriott
Clausen, Don H.	Guyer	Martin
Clawson, Del	Hagedorn	Mazzoli
Cleveland	Hall	Meeds
Cohen	Hamilton	Mikulski
Coleman	Hammer-schmidt	Mikva
Collins, Ill.	Hanley	Milford
Conable	Hannaford	Mitchell, N.Y.
Cornell	Harris	Moakley
Cornwell	Harsha	Mollohan
Coughlin	Heckler	Montgomery
Crane	Hefner	Moore
Cunningham	Heftel	Moorhead, Calif.
D'Amours	Hightower	Mottl
Daniel, Dan	Hillis	Murphy, N.Y.
Daniel, R. W.	Holland	Murphy, Pa.
Davis	Holt	Murtha
de la Garza	Horton	Myers, John
Dent	Howard	Myers, Michael
Derrick	Hubbard	Natcher
Devine	Huckaby	Neal
Dickinson	Hughes	Nedzi
	Ichord	Nichols

Nolan	Rudd	Tucker
Nowak	Runnels	Ullman
O'Brien	Satterfield	Vander Jagt
Oakar	Schulze	Waggonner
Oberstar	Sebelius	Walgren
Panetta	Seiberling	Walker
Patten	Sharp	Walsh
Patterson	Shuster	Wampler
Perkins	Sikes	Watkins
Pettis	Simon	White
Pickle	Slack	Whitehurst
Poage	Smith, Iowa	Whitley
Preyer	Smith, Nebr.	Whitten
Price	Snyder	Wiggins
Pursell	Spence	Wilson, Bob
Quillen	Staggers	Winn
Rahall	Stangeland	Wolff
Rangel	Stanton	Wright
Regula	Steiger	Wydler
Rinaldo	Stratton	Wylie
Risenhoover	Stump	Yatron
Roberts	Symms	Young, Alaska
Roe	Taylor	Young, Fla.
Rogers	Thornton	Young, Mo.
Rooney	Traxler	Young, Tex.
Rose	Treen	Zablocki
Rousselot	Trible	Zeferetti

NOES—121

Addabbo	Evans, Colo.	Moorhead, Pa.
Ambro	Fary	Moss
Anderson, Calif.	Fenwick	Murphy, Ill.
	Findley	Myers, Gary
Anderson, Ill.	Fisher	Nix
Ashley	Ford, Tenn.	Obey
Aspin	Gephardt	Ottinger
AuCoin	Giaimo	Pattison
Bedell	Gore	Pease
Benjamin	Gradison	Pike
Bingham	Green	Pritchard
Blouin	Harkin	Quayle
Boland	Hawkins	Railsback
Bonior	Hollenbeck	Reuss
Bonker	Holtzman	Richmond
Brademas	Hyde	Robinson
Brodhead	Jacobs	Rosenthal
Burke, Fla.	Jordan	Rostenkowski
Burlison, Mo.	Kemp	Roybal
Burton, John	Keys	Ryan
Burton, Phillip	Kostmayer	Scheuer
Carr	Krebs	Schroeder
Chisholm	Lehman	Solarz
Collins, Tex.	Lundine	St Germain
Conte	McCloskey	Stark
Corcoran	McEwen	Steers
Corman	McFall	Stockman
Cotter	McHugh	Stokes
Danielson	McKay	Studds
Delaney	Mahon	Thompson
Dellums	Markey	Tsongas
Derwinski	Mattox	Van Deerlin
Dodd	Metcalfe	Vanik
Downey	Meyner	Vento
Drinan	Michel	Volkmer
Early	Miller, Calif.	Waxman
Eckhardt	Miller, Ohio	Weaver
Edgar	Mineta	Weiss
Edwards, Ala.	Minish	Whalen
Edwards, Calif.	Mitchell, Md.	Yates
Erlenborn	Moffett	

NOT VOTING—54

Armstrong	Fraser	Roncalio
Baldus	Frey	Ruppe
Barnard	Gammage	Russo
Baucus	Hansen	Santini
Beilenson	Harrington	Sarasin
Bolling	Jenkins	Sawyer
Brown, Calif.	Johnson, Colo.	Shipley
Brown, Ohio	Kasten	Sisk
Burke, Calif.	LaFalce	Skelton
Burke, Mass.	Le Fante	Skubitz
Butler	Maguire	Spellman
Caputo	Mann	Steed
Clay	Mathis	Teague
Cochran	Pepper	Thone
Conyers	Pressler	Udall
Diggs	Quie	Wilson, C. H.
Flowers	Rhodes	Wilson, Tex.
Fowler	Rodino	Wirth

The Clerk announced the following pairs:

On this vote:

Mr. Gammage for, with Mr. Burke of Massachusetts against.

Mrs. Spellman for, with Mr. Conyers against.

Mr. Santini for, with Mrs. Burke of California against.

Mr. Teague for, with Mr. Baldus against.

Mr. Wirth for, With Mr. Le Fante against.

Mr. Kasten for, with Mr. Shipley against.

Messrs. DICKS, LEVITAS, MURPHY of Pennsylvania, and AKAKA changed their vote from "no" to "aye."

Mr. HYDE changed his vote from "aye" to "no."

So the amendments were agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

NATIONAL GUARD PERSONNEL, AIR FORCE

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air National Guard on duty under sections 265, 8033, or 8496 of title 10 or section 708 of title 32, United States Code, or while undergoing training, or while performing drills or equivalent duty or other duty, as authorized by law; $255,477,000.

PERSONAL STATEMENT

Mr. PEPPER. Mr. Chairman, I was detained on official business in my district this morning, and I arrived just after the last vote. If I had been here, I would have voted "aye."

AMENDMENT OFFERED BY MR. VOLKMER

Mr. VOLKMER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VOLKMER: On page 5, after line 9, insert a new paragraph to read as follows:

TWO PERCENTUM REDUCTION

Of the total budget authority in this Title, for payments not required by law, two percentum shall be withheld from obligation and expenditure: Provided, that of the amount provided in this Title for each appropriation account, activity, and project, for payments not required by law, the amount withheld shall not exceed five percentum.

Mr. VOLKMER. Mr. Chairman, this is a 2-percent cut on title I.

The reason I am offering it at this time is because it is a compromise basically as to where one offers a 2-percent cut, as to whether or not a 2-percent cut should be offered only at the end of the bill or, as some of those during earlier discussion on appropriation bills have said, that each item should be discussed so that a person knows whether or not he is voting up or down on a program.

Initially, I had prepared and had printed in the CONGRESSIONAL RECORD 42 amendments on each individual item in this bill, but again realizing the time that would be involved in going through each individual item and discussing those, I have agreed to this compromise area of attacking each one of these problem areas in the bill.

As to whether or not there should be any cut whatsoever, I believe a 2-percent cut is a small cut on each individual title rather than on each individual item, and rather than just waiting until the end of the bill. This title of course, as everyone knows, is just pertaining to personnel of the Army and Navy and Marine Corps and Air Force and National Guard and Reserves systems. It is a question whether or not there can be a 2-percent reduction from the amount that is in the bill and still provide a viable force for the United States. I have reviewed all of the report and the bill, and it is my opinion that even though this would mean some reduction, I still believe the United States would be viable.

I also believe in and I have voted in the past for a 2-percent cut on other areas on other problems. It goes back to the philosophy that I have, that in the area of Government spending and in the area of inflation, the Government must lead the way if we are to cut down. Of course on Government spending we can only control that as far as the Federal Governmet is concerned. In the area of inflation the Government deficit does have something to do with inflation. We must reduce spending or at least show bcth the business community and labor and others as well as the private citizens that this Government is planning on and is interested in doing something rather than just talking about it. For this reason I have introduced this 2-percent amendment on this title, just as I plan to introduce a 2-percent amendment on each title of this bill hereafter.

There are those, I am sure, that will get up and say that this will probably be the end of this country, that if we cut back 2 percent on personnel, we will no longer be able to defend against the Warsaw Pact nations, or the Russian invaders, or what have you. Perhaps they are the same ones who said that if we did not continue on with the B–1 bomber that we would be in great difficulty.

I disagree with that. I believe that the military just as well as HEW, or the Treasury Department or anybody else can find 2 percent to reduce, they can do it if they work hard and they can still provide a good defense for this country.

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

Mr. VOLKMER. I yield to the gentleman from Georgia.

Mr. LEVITAS. Mr. Chairman, I think that most Members of the Congress would agree that there are areas in which you can reduce speeding in all aspects of our appropriations in the Federal budget, but would the gentleman from Missouri (Mr. VOLKMER) please explain to me why he feels it is better to do it on a title-by-title basis rather than on an across-the-board basis on the bill itself? I would be inclined more favorably to a real across-the-board cut rather than this piecemeal approach.

Mr. VOLKMER. Basically because you can then address yourself more particularly to the cuts that are being made and where they are being made.

I personally would feel, if the House would wish to spend the time, that it would be more advantageous to the Members of the House to actually do it on an item-by-item basis as to each individual item, because that is actually what you are going to be doing. If you take this on an overall basis at the end, then there are a great many Members, I am sure, that actually would not realize where the cuts are going. I am trying, by considering it on a title-by-title basis to do it so that the Members of the House will know where the cuts are being made.

Mr. MAHON. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Missouri (Mr. VOLKMER).

Mr. Chairman, this is a very significant amendment and I know that if the Members understand it, they will not vote for it.

I am getting a little discouraged about some of the amendments in the House. We have a committee system. The gentleman from Missouri is on the Committee on Agriculture and on the Committee on the Judiciary, and I assume that he has to contend with about as many issues in those two committees as we have on the Committee on Appropriations.

This budget was put together after months of effort. It is not perfect. The President sent the budget to us and asked us to support it. The Secretary of Defense and the Secretaries of the various services asked us to support it. They all said they would support the budget. The OMB asked us to support it.

The President is the Commander in Chief of the Armed Forces.

The Committee on Appropriations has held hearings week after week after week for 5 months.

How does it happen that the gentleman from Missouri is so wise, that everybody is wrong but he, and that he feels competent to redraft this $119 billion bill on the House floor in an afternoon?

I find it difficult to understand why the gentleman would feel that he should rewrite this appropriation bill upon which we have worked for so many weeks and tried to do a good and responsible job. I cannot quite understand why he wants to rewrite it singlehandledly, one man against the 55-member Committee on Appropriations, one man against the authorizing committee, one man against the Chiefs of Staff of the Army and Air Force and the Chief of Naval Operations.

Mr. Chairman, it disturbs me that we are not giving the consideration we ought to to the amendments which are being presented.

The gentleman from Missouri (Mr. VOLKMER) says, "Surely, we can find places to cut."

Yes, we can find places to cut. He wants to cut the pay of the military personnel of the Army by $180 million. That is what he proposed in his amendment.

Yes, we can cut. We can reduce the 9,000-member military personnel force at Fort Leonard Wood in his State of Missouri or we can reduce the number of Army divisions from 16 to 15. We can find ways in which to make the cuts if we want to make the cuts, but I do not think the House is in any mood to make such cuts.

Mr. Chairman, I do not know whether the gentleman from Missouri has read those many volumes of hearings. I know he did not attend the hearings. I am sure he has read the 400-page report, but I just think it is unwise, after a few moments of debate, to make a reduction of one-half billion dollars in this bill.

Mr. Chairman, I do not want to appear to be in the attitude of rebuking my friend, because he is my friend; but we should not adopt an amendment that would make a $500 million cut in this bill, when we claim to be in favor of defense and know that the Russians are building up their military forces? Yet, the gentleman from Missouri (Mr. VOLKMER) wants to reduce the reserve components. He wants to reduce the regular forces. He wants to reduce the various defense programs.

For example, let us take the Army. The pay and allowances of the Army is $8 billion. He wants to cut the funds. We can reduce the number of people in the Army if we want to. He wants to cut the money for the subsistence of the Army. The cost of subsistence is going up, but he does not want to feed the troops in accordance with what the Department of Defense wants.

Also, Mr. Chairman, his amendment would tend to deprive people of a change of duty, in going from Germany back home after having served there a certain length of time. Let us take the servicemen in Korea. If we do not have the money to bring them home at the scheduled time, they will not be brought home.

Mr. Chairman, this amendment is a pretty cruel one. I do not want necessarily to denounce it, but I urge the Members of the House to vote against it with a resounding "No." It does not make good sense. It has not been properly considered, and it is something which I think the Members will not approve.

Mr. WEISS. Mr. Chairman, I move to strike the requisite number of words.

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

Mr. WEISS. I yield to the gentleman from Missouri.

Mr. VOLKMER. Mr. Chairman, I would just like to say that the 2-percent amendment here is not specifically aimed at any specific institution in the armed services. The 2-percent cut is a cut against manpower, and it would reduce in this appropriation bill, as we all know, the total amount that is available, as passed by the House. I am sure that after the Senate acts on this bill and after the conference acts upon it, it will probably be even larger, with or without this amendment.

I need to emphasize, however, that I believe if we are going to provide 2-percent cuts across the board and try to reduce Federal spending, we must face up to the matter; and if we are willing to do so, we must do so in all areas and not just in particular ones other than national defense.

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

Mr. Chairman, on Friday when we had general debate on this bill, the gentleman from Missouri (Mr. VOLKMER) and I had a colloquy in which I pleaded with him not to do what he is now attempting.

There is no sense, in my view, in offering a 2-percent amendment to each title or, as he originally talked about, to each section. I doubt that there is any reason to offer a 2-percent amendment to this particular bill at its conclusion. In any case, however, we have some 60 amendments floating around here already on this bill; and if there is any validity at all to a 2-percent amendment, it would be in order at the end of consideration of the bill, when we have had a chance, as the entire House, to see what, in fact, we have done to the defense bill.

I mentioned Friday, and it is no secret around here, that there is going to be quite a controversy over the question of the nuclear carrier. There is some $1.9 billion in this bill for a nuclear carrier. Would it not be rather ridiculous to knock out 2 percent in each title in this bill and then find out the nuclear carrier is also knocked out and see what we have done to the total defense of this country?

First, if we start knocking out 2 percent, it is going to prejudice what finally happens on the carrier and, second, if it does not prejudice it, it would be a terrible situation to have all of that knocked out of this bill. As I said Friday, we did not come to the floor with any pleading in this bill. We came here having cut everywhere we thought we could cut. We cut $34 million out of this section of the bill, and it is going to serve no useful purpose to put our Army and our Navy and our Marine Corps and our Air Force, Regular and Reserve, in such a bind with a half billion dollar cut where they cannot operate. That is the net effect of this amendment.

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

Mr. EDWARDS of Alabama. Certainly, I yield to the gentleman from Florida.

Mr. SIKES. I thank the gentleman for yielding.

Is it not true, may I ask my distinguished friend, that the budget requirements of the military services are the most closely screened of any of the agencies of government? The military departments are severely limited by the administration's restraint on the total amount of defense spending. The Office of Management and Budget further screens the budget processes within the Department of the Defense. Finally, in Congress no agency of Government is more closely screened than the military for possible areas where reduction can be made. The proposed amendment is a crippling amendment. Under no circumstances should it be approved.

Mr. EDWARDS of Alabama. The gentleman is right. We spent months and months on this bill. I am not saying that there is no waste in the Department of Defense. I would be a fool to stand up here and say that. We try to cut as best we can, but cutting 2 percent in each title is certainly not the way to get at waste. So I would hope that this House would overwhelmingly turn down this amendment. Perhaps what we ought to do is have a recorded vote and show the folly of this type of approach, and then maybe the gentleman from Missouri (Mr. VOLKMER) will be inclined not to offer any further amendments.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. Members standing at the time the unanimous consent re-

quest was agreed to will be recognized for 50 seconds each.

(By unanimous consent, Messers. DOWNEY, MOFFETT, NOLAN and VOLKMER yielded their time to Mr. HARKIN.)

The CHAIRMAN. The Chair recognizes the gentleman from Iowa (Mr. HARKIN).

Mr. HARKIN. Mr. Chairman, I rise in support of the amendment. I served for 5 years in active duty as a Navy pilot. When I left the Navy, I came to Washington to work here and entered the Reserves. I flew out of Andrews Air Force Base for approximately 3½ years after that. During that period of time, I was flying two or three times during the week, night flying and flying weekends. I was putting in anywhere from 2 to 4 weeks per year active duty. We were carrier qualified. We were combat ready in every regard. I was well paid, but I thought the taxpayers were getting a good return on their investment, because we were combat ready at all times. We were doing something meaningful, and doing it cheaper than the Regular Navy. But after leaving Washington, I went back to Iowa. I had to give up my flight status because we did not have any Navy squadrons near. I joined a Reserve unit comprised of lawyers, because I had just graduated from law school. We met every couple of weeks downtown for lunch at a fancy restaurant. That was to cover our Reserve commitment. Once a year we could do our 2-week Reserve duty and we would go to San Diego or San Francisco or Washington, D.C. They would come here, sit around a desk for a couple of weeks, go out every night and have fun. The only reason for doing that was so that they could get in their 20 years and retire at age 62 or 65 and get their free medical and retirement pay.

I think the military and taxpayers were short-changed by that procedure and I got out of the Reserves because of that. I felt the taxpayers were being cheated by the men taking advantage of that; so do not tell me there is not at least 2-percent waste or inefficiency in that program, because I have seen it.

I am supportive of the Reserves and I joined the Active Reserve; but there is a lot on the other side of the Reserves that is wasteful and inefficient. The same is true of regular forces.

Do not take the good Reserve units, like the one I flew with at Andrews Base that are ready, and cut the things we need in the Ready Reserve component; but let us go after these other things in the military that are sapping the taxpayers in retirement benefits. Retirement benefits are going up by $1 billion every year. We have got to get a handle on that. This is the only meaningful way we can get a handle on it.

Vote for the Volkmer amendment and let us put some meaningful conditions to keep the Reserves good where they are good, and cut both the Reserves and Regular forces where we can make them more efficient.

The fact is, we have about 2.1 million people in uniform now, compared with about 11 million during World War II. Yet, we have more generals and admirals now than we had during World War II. And when these high ranking officers retire, they get large retirement benefits.

Finally, Mr. Chairman, we have voted for 2-percent cuts on many bills this year. I have supported all of them, and authored some of them. I believe our taxpayers want us to tighten our belts in every agency, including the military. This bill has appropriations of nearly $120 billion for the military, and no one convinces me that there is not at least 2-percent waste and inefficiency in the military, just as there is throughout the rest of government. In fact, there is probably more in the military because since the military is so vital to our national security, the tendency is to overlook many inefficiencies and wasteful practices in the name of national security.

I believe we can cut 2 percent here without jeopardizing our strength one bit.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia (Mr. FLYNT).

Mr. FLYNT. Mr. Chairman, I hope this amendment will be overwhelmingly defeated. Even if it should pass, it would be an exercise in utter futility. If we should be fortunate enough to meet the objectives and goals of enlistment in every branch of the Active Forces and the Reserve units, we would have to provide the money to pay, to feed and house the personnel involved. We would have to provide the money to pay for changes of stations. We would have to provide the money to pay for subsistance and quarters allowance.

We cannot and should not condone any attempt to reduce the pay, and the subsistence and quarters allowances of the men and women in the armed services.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia (Mr. ROBINSON).

Mr. ROBINSON. Mr. Chairman, I am utterly opposed to this amendment. The gentleman from Iowa (Mr. HARKIN) made reference to the disagreement he has with the Reserves. This amendment does not pertain just to the Reserves. It pertains to the whole military personnel account, including our 1 million men and ladies in uniform. It is for pay allowances, individual subsistance, things that pertain to their daily lives. If we would cut this account 2 percent, we would cut $543.9 million from this bill.

I ask you, can that be reasonable? It is not and the amendment should be soundly defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. CHAPPELL).

Mr. CHAPPELL. Mr. Chairman, I rise on opposition to the amendment.

Mr. Chairman, I call the attention of the Members to the fact that we took up 82 separate cuts in this one title alone as we went through it in the proceedings of the subcommittee. I would also point out to the Members that this amendment would reduce by 15,000 our personnel in the Army, and that is an example of just one item. This means we would cut out the equivalent of a full division—that would reduce the number of divisions from 16 to 15.

This cut of funds is the equivalent of cutting out one-third of the meals for our military personnel. Certainly we don't want to cut out one of the three meals for our men. That is the equivalent of this proposal.

Mr. Chairman, I urge the defeat of this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Alabama (Mr. EDWARDS).

Mr. EDWARDS of Alabama. Mr. Chairman, much of what the gentleman from Iowa (Mr. HARKIN) says is true. The problem is that we came here last year with a bill that would have taken "luncheon" reservists out of categories A and B and put them down in category D, but we got our ears pinned back in the House.

We are here trying to fund a bill based on what the will of the House is, and there is no sense in trying to cut 2 percent out of this particular part of the bill. If the authorizing committee would face up to some of the things we are talking about and some of the things we brought to the floor last year, perhaps we could cut some money, but that is not in the cards in this bill.

Mr. Chairman, it would be foolhardy to cut this title by 2 percent.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. MAHON) to close debate.

Mr. MAHON. Mr. Chairman, the gentleman from Missouri (Mr. VOLKMER) proposes that we cut more than a half-billion dollars out of the title of this bill that has to do with the very sensitive areas of military pay, subsistence, permanent change of duty, travel, and many of the other items that necessarily must be included in an appropriation bill for defense.

The Department of Defense, the Secretary of Defense, the President, the Secretaries of the Army, Navy, and Air Force, and the 55-member Committee on Appropriations, after having studied these programs thoroughly over a period of months, and after have made $3 billion in cuts in other places and made increases of approximately that amount otherwise, believe this funding is proper.

Mr. Chairman, I say we should vote with those whose positions I have mentioned and against the proposal of the gentleman from Missouri (Mr. VOLKMER).

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri (Mr. VOLKMER).

The question was taken, and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. VOLKMER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 53, noes 327, not voting 52, as follows:

[Roll No. 652]

AYES—53

Ammerman	Hollenbeck	Pursell
AuCoin	Holtzman	Rahall
Bingham	Jacobs	Richmond
Blouin	Johnson, Colo.	Rosenthal
Bonior	Kastenmeier	Russo
Burton, John	Keys	Scheuer
Burton, Phillip	Kostmayer	Seiberling
Carr	Lujan	Sharp
Collins, Ill.	Maguire	Stark
Dellums	Markey	Steers
Downey	Mikva	Stokes
Drinan	Miller, Ohio	Volkmer
Edwards, Calif.	Moffett	Walgren
Fenwick	Myers, Gary	Walker
Forsythe	Nolan	Waxman
Garcia	Ottinger	Weaver
Gephardt	Pike	Weiss
Harkin	Pritchard	

NOES—327

Abdnor	Derwinski	Jenrette
Addabbo	Devine	Johnson, Calif.
Akaka	Dickinson	Jones, N.C.
Alexander	Dicks	Jones, Okla.
Ambro	Dingell	Jones, Tenn.
Anderson, Calif.	Dodd	Jordan
	Dornan	Kazen
Anderson, Ill.	Duncan, Oreg.	Kelly
Andrews, N.C.	Duncan, Tenn.	Kemp
Andrews, N. Dak.	Early	Kildee
	Eckhardt	Kindness
Annunzio	Edgar	Krebs
Applegate	Edwards, Ala.	Krueger
Archer	Edwards, Okla.	Lagomarsino
Armstrong	Eilberg	Latta
Ashbrook	Emery	Leach
Ashley	English	Lederer
Aspin	Erlenborn	Leggett
Badham	Ertel	Lehman
Bafalis	Evans, Colo.	Lent
Bauman	Evans, Del.	Levitas
Beard, R.I.	Evans, Ga.	Livingston
Beard, Tenn.	Evans, Ind.	Lloyd, Calif.
Bedell	Fary	Lloyd, Tenn.
Benjamin	Fascell	Long, La.
Bennett	Findley	Long, Md.
Bevill	Fish	Lott
Biaggi	Fisher	Luken
Blanchard	Fithian	Lundine
Boggs	Flippo	McClory
Boland	Flood	McCloskey
Bonker	Florio	McCormack
Bowen	Flynt	McDade
Brademas	Foley	McDonald
Breaux	Ford, Mich.	McEwen
Breckinridge	Ford, Tenn.	McFall
Brinkley	Fountain	McHugh
Brodhead	Frenzel	McKay
Brooks	Fuqua	McKinney
Broomfield	Gaydos	Madigan
Brown, Mich.	Glaimo	Mahon
Broyhill	Gibbons	Marks
Buchanan	Gilman	Marlenee
Burgener	Ginn	Marriott
Burke, Fla.	Glickman	Martin
Burleson, Tex.	Goldwater	Mattox
Burlison, Mo.	Gonzalez	Mazzoli
Byron	Goodling	Meeds
Carney	Gore	Metcalfe
Carter	Gradison	Meyner
Cavanaugh	Grassley	Michel
Cederberg	Green	Mikulski
Chappell	Gudger	Miller, Calif.
Chisholm	Guyer	Mineta
Clausen, Don H.	Hagedorn	Minish
	Hall	Mitchell, N.Y.
Clawson, Del	Hamilton	Moakley
Cleveland	Hammer-schmidt	Mollohan
Cohen		Montgomery
Coleman	Hanley	Moore
Collins, Tex.	Hannaford	Moorhead, Calif.
Conable	Harris	
Conte	Harsha	Moorhead, Pa.
Corcoran	Hawkins	Moss
Corman	Heckler	Mottl
Cornell	Hefner	Murphy, Ill.
Cornwell	Heftel	Murphy, Pa.
Cotter	Hightower	Murtha
Coughlin	Hillis	Myers, John
Crane	Holland	Myers, Michael
Cunningham	Holt	Natcher
D'Amours	Horton	Neal
Daniel, Dan	Howard	Nedzi
Daniel, R. W.	Hubbard	Nichols
Danielson	Huckaby	Nix
Davis	Hughes	Nowak
de la Garza	Hyde	O'Brien
Delaney	Ichord	Oakar
Dent	Ireland	Oberstar
Derrick	Jeffords	Obey
Panetta	Satterfield	Tucker
Patten	Schroeder	Udall
Patterson	Schulze	Ullman
Pattison	Sebelius	Van Deerlin
Pease	Shuster	Vander Jagt
Pepper	Sikes	Vanik
Perkins	Simon	Vento
Pettis	Skubitz	Waggonner
Pickle	Slack	Walsh
Poage	Smith, Iowa	Wampler
Preyer	Smith, Nebr.	Watkins
Price	Snyder	Whalen
Quayle	Solarz	White
Quillen	Spellman	Whitehurst
Rangel	Spence	Whitley
Regula	St Germain	Whitten
Reuss	Staggers	Wiggins
Rinaldo	Stangeland	Wilson, Bob
Risenhoover	Stanton	Winn
Roberts	Steiger	Wolff
Robinson	Stockman	Wright
Roe	Stratton	Wydler
Rogers	Studds	Wylie
Rooney	Stump	Yates
Rose	Symms	Yatron
Rostenkowski	Taylor	Young, Alaska
Rousselot	Thompson	Young, Fla.
Roybal	Thone	Young, Mo.
Rudd	Traxler	Zablocki
Runnels	Treen	Zeferetti
Ryan	Trible	

NOT VOTING—52

Baldus	Frey	Roncalio
Barnard	Gammage	Ruppe
Baucus	Hansen	Santini
Bellenson	Harrington	Sarasin
Bolling	Jenkins	Sawyer
Brown, Calif.	Kasten	Shipley
Brown, Ohio	LaFalce	Sisk
Burke, Calif.	Le Fante	Skelton
Burke, Mass.	Mann	Steed
Butler	Mathis	Teague
Caputo	Milford	Thornton
Clay	Mitchell, Md.	Tsongas
Cochran	Murphy, N.Y.	Wilson, C. H.
Conyers	Pressler	Wilson, Tex.
Diggs	Quie	Wirth
Flowers	Railsback	Young, Tex.
Fowler	Rhodes	
Fraser	Rodino	

The Clerk announced the following pairs:

On this vote:

Mr. Mitchell of Maryland for, with Mr. Burke of Massachusetts against.

Mr. Santini for, with Mr. Gammage against.

Mr. Conyers for, with Mr. Baldus against.

Mr. POAGE changed his vote from "aye" to "no."

Mrs. COLLINS of Illinois and Mr. WAXMAN changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE II

RETIRED MILITARY PERSONNEL

RETIRED PAY, DEFENSE

For retired pay and retirement pay, as authorized by law, of military personnel on the retired lists of the Army, Navy, Marine Corps, and Air Force, including the reserve components thereof, retainer pay for personnel of the Inactive Fleet Reserve, and payments under section 4 of Public Law 92-425 and chapter 73 of title 10, United States Code; $10,139,838,000.

Mr. VOLKMER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I had prepared an amendment to this title also and on each title as we go along. As I understand, and perhaps the chairman of the committee, the gentleman from Texas (Mr. MAHON) can correct me if I am wrong, that these are entitlements provided by law and must be paid, and will only be paid as they become due for retirement benefits, is that correct?

Mr. MAHON. The gentleman from Missouri (Mr. VOLKMER) is right. These are entitlements.

Mr. VOLKMER. No matter what we put in here they will have to be paid?

Mr. MAHON. They will have to be paid.

Mr. VOLKMER. This figure is based upon your most accurate estimate you can make for fiscal 1979 on how much will be required?

Mr. MAHON. This is the most accurate estimate that could be made. Sometimes we go slightly over and sometimes we go under.

Mr. VOLKMER. But it is still only for those military retirees who are entitled to payments that would receive the benefits, or will receive that amount they are entitled to from the authorization on this?

Mr. MAHON. The gentleman is correct.

Mr. VOLKMER. Mr. Chairman, for that reason I do not intend to offer the amendment to this title.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE III

OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Army, as authorized by law; and not to exceed $3,332,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Army, and payments may be made on his certificate of necessity for confidential military purposes; $9,097,422,000, of which not less than $580,200,000 shall be available only for the maintenance of real property facilities.

AMENDMENT OFFERED BY MR. DICKINSON

Mr. DICKINSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DICKINSON: On page 6, line 4, strike "$9,097,422,000" and insert in lieu thereof "$9,115,421,000".

POINT OF ORDER

Mr. MAHON. Mr. Chairman, I make a point of order against the amendment offered by the gentleman from Alabama (Mr. DICKINSON).

First, Mr. Chairman, I would ask whether this is the same amendment that has been offered before or if this is a part of that amendment?

Mr. DICKINSON. Mr. Chairman, if the gentleman will yield, I would respond by saying that this is similar to the one that was offered before but it is in fact different. I am offering it for the purpose of obtaining a recorded vote. I am going to attempt to obtain a recorded vote until I get one. But this amendment is different to that offered before.

Mr. MAHON. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. Does the gentleman from Texas wish to be heard further on his point of order?

Mr. MAHON. Mr. Chairman, we ask for a ruling by the Chair.

Mr. SIKES. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. SIKES) on the point of order.

Mr. SIKES. Mr. Chairman, as I understand it, there is a $1,000 change in the amount in the amendment which is offered now.

This is dilatory. It is consuming the time of the House while we have many important things still to be considered.

Mr. Chairman, I would trust that the amendment would be considered out of order.

The CHAIRMAN. The Chair will make the observation that this particular amendment has not been offered before. The figure is a substantial change from a previously considered amendment, and the Chair does not consider the amendment to be dilatory.

The Chair recognizes the gentleman from Alabama (Mr. DICKINSON) for 5 minutes in support of his amendment.

PARLIAMENTARY INQUIRIES

Mr. SIKES. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. SIKES. Mr. Chairman, what is the parliamentary situation, or just what is it we are now being asked to do here? What amendment is being offered?

The CHAIRMAN. The Clerk will rereport that amendment.

The Clerk reread the amendment.

Mr. SIKES. Mr. Chairman, if I may make a further parliamentary inquiry, do I not understand that this amendment is essentially the same as the ones offered en bloc and previously disposed of on the floor?

The CHAIRMAN. The Chair will state that this amendment is offered separately and contains a different figure.

Mr. SIKES. A $1,000 difference, Mr. Chairman.

The CHAIRMAN. It is a different figure. The Chair has already made that observation.

Mr. SIKES. Mr. Chairman, it is a dilatory amendment which, I think, is taking the time of the House unnecessarily.

The CHAIRMAN. The Chair has already ruled.

The Chair recognizes the gentleman from Alabama (Mr. DICKINSON) for 5 minutes in support of his amendment.

Mr. DICKINSON. I thank the Chairman.

As I said earlier, Mr. Chairman, this is an effort to change the bill to consolidate our military helicopter training, basic military helicopter training.

There are four different figures in here that will have to be changed in the bill, but the point is, as was said before—and I am not going to further debate the matter in detail again—this bill would save $100 milion in the next 5 years. It would eliminate duplication. It would not hurt training, but would help training.

Mr. Chairman, the Army now trains Air Force pilots. This amendment would say that they would also give basic helicopter training to the Navy and the Marine Corps, who now do that training some 100 miles away.

The Secretary of the Navy wants it. The Secretary of Defense wants it. The GAO has criticized the military for not already doing this.

Mr. Chairman, this amendment is a commonsense amendment, and I would hope that the members of the committee will vote in favor of it.

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

We have already discussed cost considerations. The savings claimed for consolidation have not been proven. Earlier today, the Members who were present and heard the debate voted against consolidation. On the last previous occasion that the House voted on this question, the issue of consolidation lost because Members having come to the floor without hearing the debate were swayed by the claims that it would save $100 million in 5 years. In the 2-year lapse of time, these claims have been repeated but they have not been justified. They do not exist. It is the quality of training that would suffer.

The OSD estimate of consolidation savings is achieved by pumping up Navy costs of training and by understating Army costs. I predict that if consolidation were effected, at least $60 million would have to be put back in the Navy's budget over the next 5 years or it would be necessary for the Navy to make drastic reductions in their fixed-wing carrier pilot training program; a program that is essential to the Navy. These are costs that are now absorbed as part of the undergraduate pilot training program.

Before he left office, the Chief of Naval Operations, Admiral Holloway stated that if there were further hearings on consolidation by the Defense Subcommittee, he would have to testify against it. His reasons were that the quality of training for Navy helicopter pilots, with the forecasted growth of the LAMPS system would not meet Navy requirements if training were done under Army auspices. He stated also that he was not convinced that claimed savings by consolidation were possible.

All flight training experts agree that the cost of training a pilot is a function of aircraft, costs, aircraft operation costs, instructor costs and hours spent in simulators or aircraft in the air. No one service has any magic way of reducing these costs unless they degrade the quality of training.

The Navy forecasts that a considerable number of its helicopter pilots will have to be transitioned to fixed wing to complete a full career in naval aviation. Thus the Navy's initial fixed wing syllabus is the most cost-effective way of training a naval aviator.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama (Mr. DICKINSON).

The question was taken; and on a division (demanded by Mr. DICKINSON) there were—ayes 26, noes 33.

Mr. DICKINSON. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Ninety-six Members are present, not a quorum.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Alabama (Mr. DICKINSON) for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device and there were—ayes 252, noes 128, not voting 52, as follows:

[Roll No. 653]

AYES—252

Abdnor	Duncan, Tenn.	Lundine
Akaka	Early	McClory
Ambro	Eckhardt	McCloskey
Ammerman	Edgar	McCormack
Anderson, Calif.	Edwards, Ala.	McDade
Anderson, Ill.	Edwards, Calif.	McEwen
Andrews, N.C.	Edwards, Okla.	McHugh
Andrews, N. Dak.	Eilberg	McKinney
Annunzio	Emery	Maguire
Archer	Erlenborn	Markey
Armstrong	Evans, Colo.	Marks
Ashbrook	Evans, Del.	Marlenee
Ashley	Evans, Ga.	Marriott
Aspin	Evans, Ind.	Martin
AuCoin	Fenwick	Mattox
Badham	Findley	Mazzoli
Bauman	Fish	Metcalfe
Bedell	Fisher	Meyner
Benjamin	Fithian	Michel
Bevill	Flippo	Mikulski
Blanchard	Foley	Mikva
Blouin	Ford, Tenn.	Milford
Boland	Forsythe	Miller, Calif.
Bonior	Fountain	Mineta
Bonker	Frenzel	Minish
Brodhead	Garcia	Moakley
Brown, Mich.	Gephardt	Moffett
Broyhill	Gilman	Moore
Buchanan	Goldwater	Moorhead, Calif.
Burgener	Goodling	Moorhead, Pa.
Burke, Fla.	Gore	Murphy, Ill.
Burton, John	Gradison	Myers, Gary
Burton, Phillip	Grassley	Myers, John
Carr	Green	Neal
Carter	Gudger	Nedzi
Cavanaugh	Guyer	Nichols
Cederberg	Hagedorn	Nolan
Clausen, Don H.	Hall	Nowak
Clawson, Del	Hamilton	O'Brien
Cleveland	Hammer-schmidt	Oakar
Cohen	Hanley	Obey
Coleman	Hannaford	Patterson
Collins, Ill.	Harris	Pattison
Collins, Tex.	Hawkins	Pease
Conable	Heckler	Perkins
Conte	Hefner	Pettis
Corcoran	Heftel	Pike
Corman	Hillis	Preyer
Cornell	Hollenbeck	Pritchard
Coughlin	Holt	Pursell
Crane	Holtzman	Quayle
Cunningham	Ichord	Quillen
D'Amours	Jacobs	Rahall
Daniel, R. W.	Jeffords	Railsback
Davis	Johnson, Colo.	Regula
Dellums	Jordan	Reuss
Derrick	Kastenmeier	Richmond
Derwinski	Keys	Rinaldo
Devine	Kildee	Risenhoover
Dickinson	Kostmayer	Robinson
Dicks	Lagomarsino	Rodino
Dodd	Leach	Rooney
Dornan	Leggett	Rousselot
Drinan	Lent	Roybal
Duncan, Oreg.	Levitas	Runnels
	Lloyd, Calif.	Russo
	Lujan	Ryan
	Luken	Schroeder

Schulze	Steers	Walsh
Sebelius	Steiger	Wampler
Seiberling	Stockman	Waxman
Sharp	Stokes	Weaver
Shuster	Studds	Weiss
Simon	Thone	Whalen
Slack	Traxler	Whitehurst
Smith, Iowa	Treen	Wiggins
Smith, Nebr.	Trible	Wilson, Bob
Snyder	Tsongas	Winn
Solarz	Udall	Wydler
Spellman	Van Deerlin	Wylie
Spence	Vander Jagt	Yates
St Germain	Vanik	Yatron
Stangeland	Vento	Young, Alaska
Stanton	Volkmer	Young, Mo.
Stark	Walker	

NOES—128

Addabbo	Gonzalez	Myers, Michael
Alexander	Harkin	Natcher
Applegate	Harsha	Nix
Bafalis	Hightower	Oberstar
Beard, R.I.	Holland	Panetta
Beard, Tenn.	Howard	Patten
Bennett	Hubbard	Pepper
Biaggi	Huckaby	Pickle
Boggs	Hughes	Poage
Bowen	Hyde	Price
Brademas	Ireland	Rangel
Breaux	Jenrette	Roberts
Breckinridge	Johnson, Calif.	Roe
Brinkley	Jones, N.C.	Rogers
Brooks	Jones, Okla.	Rose
Broomfield	Jones, Tenn.	Rosenthal
Burleson, Tex.	Kazen	Rostenkowski
Burlison, Mo.	Kelly	Rudd
Byron	Kemp	Satterfield
Carney	Krebs	Scheuer
Chappell	Krueger	Sikes
Chisholm	Latta	Skubitz
Cotter	Lederer	Staggers
Daniel, Dan	Livingston	Stratton
Danielson	Lloyd, Tenn.	Stump
de la Garza	Long, La.	Symms
Delaney	Long, Md.	Taylor
Dingell	Lott	Thompson
Downey	McDonald	Tucker
English	McFall	Ullman
Ertel	McKay	Waggonner
Fary	Madigan	Walgren
Fascell	Mahon	Watkins
Flood	Meeds	White
Florio	Miller, Ohio	Whitley
Flynt	Mitchell, N.Y.	Whitten
Ford, Mich.	Mollohan	Wolff
Fuqua	Montgomery	Wright
Gaydos	Moss	Young, Fla.
Giaimo	Mottl	Young, Tex.
Gibbons	Murphy, N.Y.	Zablocki
Ginn	Murphy, Pa.	Zeferetti
Glickman	Murtha	

NOT VOTING—52

Baldus	Fowler	Quie
Barnard	Fraser	Rhodes
Baucus	Frey	Roncalio
Beilenson	Gammage	Ruppe
Bolling	Hansen	Santini
Brown, Calif.	Harrington	Sarasin
Brown, Ohio	Horton	Sawyer
Burke, Calif.	Jenkins	Shipley
Burke, Mass.	Kasten	Sisk
Butler	Kindness	Skelton
Caputo	LaFalce	Steed
Clay	Le Fante	Teague
Cochran	Lehman	Thornton
Conyers	Mann	Wilson, C. H.
Cornwell	Mathis	Wilson, Tex.
Dent	Mitchell, Md.	Wirth
Diggs	Ottinger	
Flowers	Pressler	

The Clerk announced the following pairs:

On this vote:

Mr. Gammage for, with Mr. Burke of Massachusetts against.

Mr. Conyers for, with Mr. Shipley against.

Mr. Santini for, with Mrs. Burke of California against.

Mr. Mitchell of Maryland for, with Mr. Ottinger against.

Mr. Baldus for, with Mr. Teague against.

Mr. Wirth for, with Mr. Dent against.

Messrs. SOLARZ, RICHMOND, and BLANCHARD changed their vote from "no" to "aye."

Messrs. ZEFERETTI, SYMMS, and LIVINGSTON changed their vote from "aye" to "no."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. PANETTA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise for purposes of clarification with respect to foreign language training under the bill.

First of all, I would like to commend the chairman and the committee for their support of foreign language training and for recognizing its importance as far as national security is concerned. In particular I would like to commend the committee for understanding the special mission of the Defense Language Institute in the role of foreign language training.

The committee did express some concern with respect to the use of funds, however, for basic course development, and in view of this I would like to ask the chairman of the committee if the committee would object to the Defense Language Institute spending all or part of the $800,000 on basic course development provided that the Defense Language Institute and the Department of Defense could demonstrate the overriding importance of doing so and provided the committee were notified in advance?

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

Mr. PANETTA. I yield to the chairman of the committee.

Mr. MAHON. Mr. Chairman, with respect to the $800,000 desired for basic foreign language course development by the Defense Language Institute in Monterey, Calif., I should state that the committee, in appropriating the $800,000, does not intend to impose excessive restrictions on the expenditure of the funds at the Defense Language Institute. If the Institute finds it absolutely necessary to spend a portion of these funds on the development of basic foreign language courses not available on the commercial market, the committee would not interpose any objection provided, of course, we were advised about the necessity in advance.

Mr. PANETTA. I thank the chairman for that assurance and for his clarification in this area.

There has obviously been some confusion over what DLI does and its relationship to basic course development. DLI has perhaps chosen a misleading term, "basic," to describe its program for minimum professional skill-level—level 3. These so-called basic courses extend significantly beyond any texts, language-laboratory tapes, and other audio-visual materials available from commercial publishers. Basic courses range in duration from 24 to 47 weeks of continuous, intensive training, 6 hours per day, 5 days per week; that is, as much as 1,400 hours of intensive training plus homework assignments, providing a level of proficiency comparable to—or even higher than—foreign-language majors with 4 years of study. Commercial texts and tapes are almost invariably designed for 3—and perhaps 5—hours of instruction per week, totaling fewer than 200 to 300 hours of instruction over 2 years.

These commercial materials would therefore provide only about the first 6 weeks of instruction at the DLI, even if all their content were appropriate for military training. However, military officers and enlisted personnel destined for duty as interrogators, attachés, radio intercept operators, NATO or special forces personnel, and so forth, have little need for—and little motivation to learn—lessons devoted to shopping for Christmas toys, a family outing, tourist activities, classic and contemporary literative, and other topics on which commercial texts—and tapes, if any—often dwell at length. Detailed examination of such texts typically reveals that more than half of the material is totally irrelevant to the needs of military personnel, and would therefore waste training time and severely affect student motivation. DLI prepared materials do not neglect social and survival needs, but keep them in proper proportion, perspective, and context.

In fact, one of the reasons that some present DLI-prepared texts and tapes are scheduled for revision is that, because of their age, they are not adequately targeted on job-related requirements recently provided to us by the various services and agencies that it is our mission to support—for example, from the National Security Agency, on behalf of the entire National Cryptologic Training System, which accounts for approximately half the "basic course" enrollees at DLI. Few commercial texts even recognize the existence of military forces in the world, let alone teach any of their specialized vocabulary. While it is theoretically possible to prepare supplementary materials which would replace the irrelevant vocabulary, and so forth, of the commercial material with military terms and usage, experience has shown that such matters are learned more effectively and efficiently when they are seeded throughout the course and systematically integrated with the instruction in grammar, and so forth.

Another reason for the planned revisions is that DLI has long-range plans to update the obsolescent methodology in its courses, making them consonant with modern principles of individualized learning and instructional systems. These newer approaches, when applied to foreign-language learning, will be both more effective and more efficient than the existing courses, especially since the development plan for each new course carefully coordinates the texts, tapes, other audiovisual support and, perhaps most importantly, the criterion referenced tests that are an integral part of an efficient instructional system.

The committee's comments regarding Headstart and Gateway types of courses are also perhaps a result of a failure to explain the circumstances adequately. These are much more elementary in nature and do correspond more closely to the instructional hours contemplated for some commercial texts and tapes. However, the content of virtually all such

commercial texts and tapes is similarly inappropriate for military trainees, they are usually available only in the five most commonly taught languages, and virtually none are designed for, or easily adaptable to, the individualized, intensive instruction to which DLI is committed.

The DLI development plan for fiscal year 1979 includes in-house development of this type of course in Arabic, Korean, and Japanese, and contract development projects in Spanish, French, Italian, and Turkish. DLI has had extensive experience with contracting for course development, most of it frustrating. It is now convinced, however, that it can obtain appropriate materials under contract by providing the successful bidder with very carefully drawn specifications and a validated prototype for use as a model. It has now very nearly completed validation of Gateway and TEC models, but there is as yet no such prototype for a "basic course."

The number of students trained annually has also discouraged DLI use of commercial materials. DLI graduates like to—and are encouraged to—take their texts with them. The purchase of several thousand volumes each year would be more costly than the reproduction that DLI customarily accomplishes with in-house and contract printing. Furthermore, commitment to a selected publisher for several years without the opportunity to make the minor modifications constantly required as the language and/or job-related requirements change, would constantly necessitate the costly and cumbersome preparation of "supplementary materials." Purchase of rights to reprint copyrighted texts has seldom proved a practical solution in the past.

It is for these reasons that flexibility is required and the chairman's assurances clearly allow for that type of flexibility to the Defense Language Institute in fulfilling its mission.

Mr. DICKINSON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this opportunity to explain to the membership the parliamentary situation on the amendment which was just offered and accepted, and the amendment I offered previously, because some of the Members were not present at that time and may not understand what will happen.

There are three money figures in the bill that I intend to offer amendments to, plus some language changes. All of the amendments together have to do with whether or not the helicopter training should be integrated in one place, and I am referring to basic helicopter training.

If I offer them en bloc they could be voted on at one time. Originally I did offer them en bloc and the gentleman that I have to offer them sequentially as they come up in the bill.

So there will be two other money figures to which I will offer amendments, one having to do with physical improvements, that one is later on in the section on line 14, and the last would be the language change that would bring about the integration of the basic helicopter training.

My good friend and colleague with whom we are doing battle right now was very concerned about the dilatory nature of my amendment which carried by a vote of 252 to 128, I think. So I would suggest that if we do not want to be dilatory and get the job done and go on to other parts of the bill, then I would hope that when the next amendments are offered en bloc that they will be accepted en bloc and then we will just have one more vote instead of three more votes because, otherwise they will have to be done sequentially.

Mr. YOUNG of Texas. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I would be very pleased to yield to the gentleman from Texas (Mr. YOUNG).

Mr. YOUNG of Texas. Mr. Chairman, as I understand the amendments of the gentleman from Alabama (Mr. DICKINSON) the gentleman is interested in effecting the consolidation of undergraduate helicopter training at Fort Rucker, Ala.

I further understand, from my conversation with the gentleman, that he is not interested in affecting the fixed-wing naval training, either advanced or undergraduate training?

Mr. DICKINSON. I would say that the gentleman is exactly correct. As I explained before, the language in the bill that is being changed would be to add money to the Army's budget and take it from the Navy's budget. There is money in here to make runways, et cetera, but it has nothing to do with the fixed-wing training at Corpus Christi or Mississippi or any other places, so far as what I am going is concerned.

If the Navy wants to continue teaching fixed-wing training, then that is what they are in business for and they are capable of doing, and it can be done at Corpus Christi or wherever they choose. This only has to do with rotary helicopter training, it is the basic training, learning how to fly and then from that point they go back to whatever service they have come from and continue to take whatever other training might be required of them there.

Mr. YOUNG of Texas. Then I would ask the gentleman from Alabama (Mr. DICKINSON) in his last amendment, he says he will have an amendment to the language in the bill to section 856, on page 56.

Mr. DICKINSON. On what page?

Mr. YOUNG of Texas. On page 56.

I believe that is the last amendment that you want to offer en bloc.

Mr. DICKINSON. That is correct.

Mr. YOUNG of Texas. That amendment strikes out all of section 856. It goes much further than just helicopter training, it goes to undergraduate and advanced fixed-wing training likewise.

I would, therefore, ask the gentleman whether he would be willing to accept an amendment that would simply eliminate the fixed wing from what he is trying to do?

Mr. DICKINSON. Let me say that this is not my language, this is from someone in the Committee on Appropriations that insisted he put it in here. I would certainly agree to any language that exempts fixed wing, so long as it leaves the rotary or helicopter training of undergraduates.

Mr. YOUNG of Texas. If the gentleman will yield still further, one more question, the amendment I would seek to offer as a substitute for the gentleman's amendment on page 56, line 3, referring to undergraduate pilot training, and the words following in line 4, that all words after "Navy" be stricken out, that would then track the same language except it leaves out fixed wing.

Mr. DICKINSON. We are both agreeing on the thrust of our problem. Let me suggest that we get together with staff and see if we can work up the correct language.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. SIKES, and by unanimous consent, Mr. DICKINSON was allowed to proceed for 2 additional minutes.)

The CHAIRMAN. The time of the gentleman from Alabama (Mr. DICKINSON) has expired.

(On request of Mr. SIKES and by unanimous consent, Mr. DICKINSON was allowed to proceed for 3 additional minutes.)

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

Mr. DICKINSON. I yield to the gentleman from Florida.

Mr. SIKES. Mr. Chairman, as I understand it, the two gentlemen in the well have made a deal to protect Texas at the cost of other institutions and other training installations. Is that what I have been hearing?

Mr. DICKINSON. Obviously, the gentleman was not paying attention. That is not what was said.

What the gentleman from Texas (Mr. YOUNG) wanted to do was to make sure that the amendment which I have offered does not adversely impact on fixed-wing training, wherever it may be, in Pensacola, Mississippi, Texas, Albuquerque, wherever it may be.

Mr. SIKES. It happens to be at Corpus Christi, Tex., as the gentleman knows.

Mr. DICKINSON. I was under the impression that there was some fixed-wing training being done at Pensacola, too. However, wherever it is, all I am interested in is the rotary-wing training.

I am sure that the gentleman, when the time comes, will not be dilatory and that we will get all of this done in one vote.

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

Mr. DICKINSON. Yes, I yield to the gentleman from Texas.

Mr. MAHON. Mr. Chairman, the House has made a decision adverse to the recommendation of the Committee on Appropriations on this issue. I refer to page 56, section 856, which reads as follows:

None of the funds appropriated by this Act may be used for the consolidation or realignment of advanced or undergraduate pilot training squadrons of the Navy as currently proposed by the Department of Defense.

The gentleman proposes to knock out that language, does he not?

Mr. DICKINSON. Yes.

Mr. MAHON. In order to finalize the decision which has been made as a result of the amendment which the gentleman offered and which has been approved, may I ask the gentleman how many more amendments he has?

Mr. DICKINSON. I have two more money amendments, and one language amendment. The language amendment is what the chairman is discussing now.

Mr. MAHON. May I suggest that the gentleman offer the amendments en bloc and let us dispose of them all at one time.

Mr. DICKINSON. That is what I attempted to do sooner. In any event, I will be very pleased to take the suggestion of the chairman. As soon as I can physically get the language together, the amendments will be offered.

Mr. YOUNG of Texas. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from Texas.

Mr. YOUNG of Texas. Mr. Chairman, we can get together on the amendments, but I would rather have separate treatment of that language of the amendment because the gentleman from Alabama (Mr. DICKINSON) is only interested in rotary wings, and the language just read by the chairman would apply to fixed wings and other types.

Mr. DICKINSON. With the indulgence of the Chair and of the chairman, I think I can get the staff to work right now on the language which the chairman of the full committee would desire and that I would be able to satisfy the gentleman from Texas (Mr. YOUNG) also.

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

Mr. DICKINSON. I am pleased to yield to the gentleman from Florida.

Mr. SIKES. I am not at all certain just what agreement has been reached by the two gentlemen. It is a little confusing.

I would be perfectly agreeable, in order to save the time of the House, to vote just on the two money proposals and let the matter go to conference, assuming there will be a conference.

Mr. DICKINSON. I think the gentleman can be sure that there will be a conference.

The CHAIRMAN. The time of the gentleman from Alabama (Mr. DICKINSON) has expired.

(On request of Mr. SIKES and by unanimous consent, Mr. DICKINSON was allowed to proceed for 1 additional minute.)

Mr. SIKES. Mr. Chairman, will the gentleman yield further?

Mr. DICKINSON. I yield to the gentleman from Florida.

Mr. SIKES. Mr. Chairman, I would object to including the language in section 856, any change in the language in section 856, without a much more complete discussion of what the implications are.

Mr. DICKINSON. Mr. Chairman, if I might be recognized for that purpose, then, let me offer the next two amendments, just the money amendments.

Mr. SIKES. I have no objection to that.

Mr. DICKINSON. Let us vote on those, and then we will take the language amendment when we reach it.

AMENDMENTS OFFERED BY MR. DICKINSON

Mr. DICKINSON. Mr. Chairman, I offer amendments and ask unanimous consent that they be considered en bloc.

The Clerk read as follows:

Amendments offered by Mr. DICKINSON: on page 6, line 15, strike "$11,705,155,000;" and insert in lieu thereof "$11,691,754,000;".

On page 14, line 24, strike "$916,708,000" and insert in lieu thereof "$917,401,000".

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

PARLIAMENTARY INQUIRY

Mr. COHEN. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. COHEN. Mr. Chairman, I have an amendment at the desk to page 6, line 15, which includes the same amount of money that is on line 15.

If the gentleman from Alabama (Mr. DICKINSON) proceeds with consolidated amendments, will I still have the opportunity to offer a substitute to the amendment of the gentleman from Alabama?

The CHAIRMAN. The Chair will state that if the amendments offered en bloc are agreed to, the gentleman would be precluded from offering his amendment.

Mr. COHEN. Then, Mr. Chairman, if I would not be allowed to offer my amendment as a substitute for that of the gentleman from Alabama, I would have to object to the unanimous-consent request.

The CHAIRMAN. Objection is heard.

Are there other amendments to the paragraph ending on line 6 on page 6? If not, the Clerk will read the next paragraph.

The Clerk read as follows:

OPERATION AND MAINTENANCE, NAVY

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Navy and the Marine Corps, as authorized by law; and not to exceed $1,526,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Navy, and payments may be made on his certificate of necessity for confidential military purposes; $11,705,155,000, of which not less than $380,300,000 shall be available only for the maintenance of real property facilities: *Provided*, That of the total amount of this appropriation made available for the alteration, overhaul, and repair of naval vessels, not more than $2,100,000,000 shall be available for the performance of such work in Navy shipyards of which not less than $22,000,000 shall be available for such work only at the Ship Repair Facilities, Guam: *Provided further*, That such amounts of the funds available for work only at the Ship Repair Facilities, Guam, may be used for work in other Navy shipyards in amounts equal to the amount of work placed at the Ship Repair Facilities, Guam, funded from other sources.

AMENDMENT OFFERED BY MR. DICKINSON

Mr. DICKINSON. Mr. Chairman, I offer an amendment to line 15.

The Clerk read as follows:

Amendment offered by Mr. DICKINSON: On page 6, line 15, strike "$11,705,155,000" and insert in lieu thereof "$11,691,754,000".

Mr. DICKINSON. I think that we all understand the amendment, Mr. Chairman. We have had ample discussion on it. I yield back the remainder of my time.

AMENDMENT OFFERED BY MR. COHEN AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. DICKINSON

Mr. COHEN. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. COHEN as a substitute for the amendment offered by Mr. DICKINSON: On page 6, line 15, strike "$11,705,155,000" and insert in lieu thereof "$11,695,051,000".

Mr. COHEN. Mr. Chairman, so that we might clarify the parliamentary procedure, I offer this amendment as a substitute to actually increase the figure that the gentleman from Alabama has inserted that would apply as a result of the passing of his last amendment.

Mr. Chairman, I rise to offer an amendment with my colleague from the State of Maine and member of the Armed Services Committee, Mr. EMERY, to restore funding for 183 of the 283 man-years the committee cut from the Office of the Supervisor of Shipbuilding, at an additional cost of $3.39 million.

I understand that the Appropriations Committee's decision to reduce the funding requested for the maintenance of Supervisor of Shipbuilding (Supships) Offices by $5.1 million, and the resulting loss of projected man-years, is aimed at reducing the bureaucracy within Supships for failing to prevent problems "from escalating into claims" on new construction programs. I share the committee's concern over the need for greater efficiency in the management of naval shipbuilding programs. However, I have also been advised that less than half of the Supships personnel are engaged in work dealing with new construction. In addition to new construction, Supships also oversees all restoration and alternation of existing naval vessels which is done at private shipyards.

Due to the complexity of newer ships in the Navy's fleet, the workload in the area of ship repair has created an increasing dependence on the private shipyards to undertake ship overhauls previously performed only in public shipyards. As an example, no complex naval ship overhauls were assigned to private yards prior to 1974. Last year, more than a dozen such overhauls were assigned to privately owned yards. This is double the number processed during the previous year, and there is no indication that the amount of work will slack off. The Appropriations Committee's report even admits that there will likely be a backlog of 23 overhauls by the end of fiscal year 1979. This work could be taken on by private shipyards now. However, since two-thirds of all modernization and industrial repairs have been historically accomplished in public rather than private yards, the committee is reluctant to alter that balance without the benefit of further analysis.

With this increase in private yard overhaul and repair contracts comes a

requirement for increased responsibility and effort on the part of SUPSHIPS to procure and administer these contracts. Therefore, I believe that the committee's decision to make a reduction in force will be done at the expense of ship overhaul programs where the majority of the SUPSHIPS personnel are assigned.

Clearly, private shipyards view this proposal with concern. The industry is facing an inescapable decline in contracts for commercial and naval ship construction. It is estimated that between 45,000 and 50,000 shipyard workers will be laid off in the next 4 years. This situation significantly decreases the ability of private shipyards to maintain a skilled labor force which could be drawn upon for the overhaul and conversion work necessary in times of national emergency. At the present time, naval ship repair work accounts for approximately 20 percent of shipyard employment requirements.

The Navy has advised me that the proposed reduction in the SUPSHIP funding would reduce their ability to prepare for and administer all of the 58 overhaul contracts currently planned for the private sector in 1979. It is possible that as many as 10 contracts may have to be postponed. This loss of work equates to approximately 3,800 jobs for shipyard workers. In my own State of Maine, 800 workers at Bath Iron Works can expect to lose their employment, if the committee's action results in no new contracts. Many of my colleagues can point to similar situations in their own States.

Likewise, we must not forget the loss of employment in Supship offices. At present, 16 offices in 13 States have been established for the purpose of field contract administration. These offices are staffed to within 56 persons of Supship's authorized manpower ceiling. The committee's man-year reduction would not only result in the layoff of over 200 persons, but I am advised that reduction-in-force regulations of the Civil Service Commission which prohibit the immediate dismissal of personnel would result in a salary shortfall for 534 positions by the end of the coming fiscal year.

In preparing for this amendment, I have also learned of the committee's concern that this bill already exceeds the authorized civilian manpower ceiling by 7,000 positions. I merely want to take this opportunity to bring to the attention of my colleagues the flexibility the Secretary of Defense has to adjust civilian manpower by 1¼ percent of the total number of civilian personnel authorized. By my calculations, I estimate that the Secretary still has flexibility for over an additional 5,500 positions above those already funded by the committee. I maintain that the 183 positions for Supship will not jeopardize our manpower ceilings.

The Department of the Navy and the Shipbuilders Council of America have actively opposed the committee's actions on this matter. Its impact is not only an economic one. This proposed congressional action will further weaken the strength of our Navy by significantly reducing the ability of our Nation's shipyards to maintain ships already in the fleet. I earnestly seek the support of my colleagues interested in preserving the capability of our existing naval vessels to join me in voting for this amendment.

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

The Supervisor of Shipbuilding has faltered in performing the objectives which have been assigned to his organization. We did not take very drastic action with respect to this matter. The committee deleted 283 man-years, but we left 3,000 man-years which were requested; so this leaves the gentleman with 3,000 man-years, a larger number than was required in 1977.

The committee recommends that the Supervisor of Shipbuilding strength levels which are in the process of being increased during the fiscal year be held at the fiscal year 1977 level; so we oppose the amendment and trust it will be disapproved by the House. The increase in fiscal year 1978 is taking place despite previous objections by the committee.

With respect to specific reasons for deleting the Supervisor of Shipbuilding positions, the following points need to be made:

First. In the committee's opinion this organization has proven to be essentially useless in either controlling shipbuilding costs or informing management of cost increases and building delays. Time after time, this organization which is supposed to know what is going on with respect to new ship constructior and overhauls has failed to inform Navy management of probable cost overruns and shipbuilding delays in a timely manner. This results in assignment of many thousands of military personnel to ships that are not ready. The Supervisor of Shipbuilding organization never seems to know any more about the status of a ship, be it new construction or overhaul, than the contractor doing the work tells them. In short, they do a poor job. Why promote inefficiency and waste by increasing this organization's strength.

Second. Last year, fiscal year 1978, the committee strongly suggested that the Navy not increase employment in the Supervisor of Shipbuilding organization. The Navy went ahead and began to make the increase anyhow. The Supervisor of Shipbuilding organization currently has 3,184 personnel onboard, 101 fewer than the 3,283 requested. This should help in getting down to the committee recommended number of 3,000.

Mr. Chairman, I yield to the gentleman from Alabama (Mr. EDWARDS).

Mr. EDWARDS of Alabama. Mr. Chairman, I thank the gentleman for yielding.

Mr. MAHON. Mr. Chairman, this is with respect to the matter of the Supervisor of Shipbuilding.

Mr. EDWARDS of Alabama. I oppose the amendment, Mr. Chairman. The budget proposes that the Superintendent of Ships employment should go up, while the number of ships being overhauled is going down. We are falling from 90 ships in 1977 to 74 ships this fiscal year, 1979. In fact, because of the backlog, it probably will not get to 71 ships this year.

It just does not make sense to me to be increasing the number of employees in that department, while the number of ships is going down.

Mr. MAHON. Mr. Chairman, I would hope we would vote this amendment down and proceed with the amendment of the gentleman from Alabama (Mr. DICKINSON).

Mr. Chairman, I yield back the balance of my time and I ask for a vote.

Mr. EMERY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I thank the chairman of the Committee on Appropriations for the gentleman's indulgence.

Mr. Chairman, I rise in support of the amendment.

The Appropriation Committee's decision to reduce the funding requested from the Maintenance of Supervisor of Shipbuilding (Supship) Offices by $5.1 million was motivated by an attempt to reduce what the committee saw as excessive "bureaucracy" within Supships. This attitude was brought on by the apparent inability of Supships to prevent problems from escalating into claims on new construction. I share the committee's concern over the need for greater efficiency in the management of naval shipbuilding programs.

However, I have been advised that with Supships, over half the work force may be assigned to oversee restoration and alteration programs for existing naval vessels which are done at private yards.

The committee's actions may have an adverse effect on the ability of Supships to process the amount of contracts and programs needed to overhaul our existing naval vessels.

This is an important decision, not only for the many shipyard workers who could lose their jobs, but also for the Navy which needs those overhaul projects.

By the end of 1979, there may be as many as 23 ship overhauls backlogged because of the capacity of the public yards which now do a good deal of the overhaul and maintenance work. As an indication of this backlog, the Navy has 23 DDG–2 class destroyers which should undergo this type of upgrading. This work could be shared by the public and private yards for the betterment of our defense readiness.

The reduction of Supship funding could severely impact the ability of that office to administer all of the overhaul projects now on the books. In an era of depressed new-ship construction, the worst that could happen is to cause any new problems for the Navy by impacting adversely on overhaul and maintenance programs for older vessels.

Mr. Chairman, I urge my colleagues to support the amendment.

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

Mr. EMERY. I yield to the gentleman from Maine.

Mr. COHEN. Mr. Chairman, the gentleman from Maine (Mr. EMERY) serves on the Committee on Armed Services, and is it my understanding that committee has never held a hearing on this par-

ticular program? If that is true, it seems to me that there is very little preparation, other than some staff report from the Committee on Appropriations that has superseded the jurisdictional province and expertise of the Committee on Armed Services.

Mr. EMERY. Mr. Chairman, the gentleman is correct. We have been very concerned in the Subcommittee on Seapower and Strategic and Critical Materials with the fate of our shipbuilding program, and on occasion we have discussed the fact that a number of classes of existing ships are in critical need of overhaul, repair, or conversion.

We have a double-edged sword here. One is the construction of new vessels, whether they are heavy carriers or whether they are patrol frigates, to keep our Navy at the necessary strength. The other side of the question is making sure that existing vessels, especially the older ones, are modernized with new weapons and have the necessary capabilities for our defense purposes.

If we force any reductions in the administrative end of overhaul and repair (Supships), it just means that not only are we not going to be building ships fast enough, but that those we have are not going to be repaired. It is going to mean a reduction in our ability for naval readiness as well as a loss of jobs in many shipyards that are suffering from advance economic conditions now.

Mr. COHEN. Mr. Chairman, I thank the gentleman for his support.

Mr. MAHON. Mr. Chairman, I ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maine (Mr. COHEN) as a substitute for the amendment offered by the gentleman from Alabama (Mr. DICKINSON).

The question was taken, and on a division (demanded by Mr. COHEN) there were—ayes 12, noes 26.

So the amendment offered as a substitute for the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama (Mr. DICKINSON).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

OPERATION AND MAINTENANCE, DEFENSE AGENCIES

For expenses, not otherwise provided for, necessary for the operation and maintenance of activities and agencies of the Department of Defense (other than the military departments and the Defense Civil Preparedness Agency), as authorized by law; $3,034,350,000: *Provided*, That not to exceed $3,716,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of Defense, and payments may be made on his certificate of necessity for confidential military purposes: *Provided further*, That not less than $52,500,000 of the total amount of this appropriation shall be available only for the maintenance of real property facilities: *Provided further*, That $968,600,000 shall be available only for the Defense Logistics Agency and $453,500,000 shall be available only for the Civilian Health and Medical Program of the Uniformed Services.

AMENDMENT OFFERED BY MR. JOHN T. MYERS

Mr. JOHN T. MYERS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JOHN T. MYERS: On page 8, after line 10, add the following new section:

None of the funds appropriated or otherwise made available in this Act shall be obligated or expended for salaries or expenses during the current fiscal year in connection with the demilitarization of any arms as advertised by the Department of Defense, Defense Logistics Agency sale number 31-8118 issued January 24, 1978, and listed as "no longer needed by the Federal Government" and that such arms shall not be withheld from distribution to purchasers who qualify for purchase of said arms pursuant to title 10, United States Code, section 4308.

Mr. JOHN T. MYERS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

Mr. MIKVA. Mr. Chairman, reserving the right to object, I would like to hear the amendment read, if I may.

So, Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk will report the amendment.

(The Clerk concluded the reading of the amendment.)

POINT OF ORDER

Mr. MIKVA. Mr. Chairman, I make a point of order on the amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. MIKVA. Mr. Chairman, I make a point of order on the amendment on the ground that I believe that it is legislation within a general appropriation bill and, therefore, violates the rules of the House.

The CHAIRMAN. Does the gentleman from Indiana (Mr. JOHN T. MYERS) wish to be heard on the point of order?

Mr. JOHN T. MYERS. Yes, I do, Mr. Chairman.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana.

Mr. JOHN T. MYERS. Mr. Chairman, this is a simple limitation amendment. It merely limits the Secretary of the Treasury to continue to carry out existing law. It does not provide any new law. It simply says that the Secretary of the Treasury shall carry out the prevailing, existing law.

The CHAIRMAN. Does the gentleman from Ohio (Mr. ASHBROOK) wish to be heard on the point of order?

Mr. ASHBROOK. I do, Mr. Chairman.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio.

Mr. ASHBROOK. Mr. Chairman, rule 21, clause 2, of the Rules of the House (House Rules and Manual pages 426-427) specifies that an amendment to an appropriation bill is in order if it meets certain tests, such as:

First. It must be germane;

Second. It must be negative in nature;

Third. It must show retrenchment on its face;

Fourth. It must impose no additional or affirmative duties or amend existing law.

WHY THE AMENDMENT COMPLIES WITH RULE 21

First. It is germane. As the amendment applies to the distribution of arms by the Defense Logistics Agency, it is not exclusively an Army of civilian marksmanship amendment, so should not be placed elsewhere in the bill. The overall Defense Department allocates sale and distribution to various military components (foreign sales, Navy, ROTC, Air Force, Division of Civilian Marksmanship, et cetera). It is therefore proper to place the amendment in the general Defense Department section of the bill: "Operation and maintenance, Defense Agencies."

Second. It is negative in nature. It limits expenditure of funds by the Defense Department by prohibiting the destruction and scrapping of arms which qualify for sale through the civilian marksmanship program, which is a division of the executive created by statute.

Third. It shows retrenchment on its face. Retrenchment is demonstrated in that the Department of Defense if prohibited from expending funds to destroy surplus military arms, and that the arms previously earmarked for destruction will be made available in accordance with existing statute. Actual cost savings is not a necessary element in satisfying the retrenchment test under rule 21. However, the Defense Department has attempted destruction of 290,000 M-1 rifles, leading to the waste by scrapping of a valuable stock of arms. The House, in adding this amendment, will secure additional funds for the Treasury which the General Accounting Office has determined is adequate to pay costs of handling the arms. For example, the M-1 rifles are to be sold at a cost of $110 each. These are the arms most utilized by the civilian marksmanship program. The Defense Department will not be required to spend additional funds to process the sale of additional arms.

Fourth. Does not impose additional or affirmative duties or amend existing law. Title 10, United States Code, section 4308 provides in part:

(a) The secretary of the Army, under regulations approved by him upon the recommendation of the National Board for the Promotion of Rifle Practice, shall provide for . . .

(5) the sale to members of the National Rifle Association, at cost, and the issue to clubs organized for practice with rifled arms, ammunition, targets, and other supplies and appliances necessary for target practice . . .

In fact, the Army regulations relating to issuance of these arms contain no caveat that distribution shall be limited to any quantity. (AR 725-1 and AR 920-20.) By passing this amendment, we will see that additional funds are placed in the Treasury—certainly more than by scrapping the arms. Thus, by statute and regulation, such arms must be sold to qualified civilians. This amendment specifies that 290,800 of an available pool of 760,000 arms shall not be destroyed, and shall be available for use by this program If my amendment prevails, the test as to whether these arms will be distributed will be:

First. Does the applicant qualify under the law?

Second. Are sufficient arms in this pool of 290,800 available for distribution?

Regulations issued (see tab M) AR 725–1 and AR 920–20 provide for the issuance of arms by application and qualification through the Director of Civilian Marksmanship. The DCM shall then submit sale orders for the Armament Readiness Military Command (ARMCOM) to fill the requests of these qualified civilians. Thus, the amendment simply requires the performance of duties already imposed by the Army's own regulation.

Minor administrative ministerial duties required by this amendment will not mandate such affirmative action, so as to exceed the responsibilities already imposed by statute. Assessing needs and communicating the needs by the Board would not cross the threshold so as to raise to the level of a newly created positive duty.

PRECEDENTS SUPPORTING THE OVERRULING OF POINT OF ORDER TO MY MOTION

There is ample precedent for language of this nature. A similar motion was offered by Mr. MYERS of Indiana in connection with the curtailment of funds for implementation of an executive order pardoning draft evaders. Mr. MYERS' amendment provided that the executive could not expend funds to pardon the evaders. This was an after-the-fact amendment following President Carter's Executive order. My amendment does nothing more than to track the same form of executive limitation as did the Myers amendment of March 16, 1977, when the parliamentarian ruled that amendment in order. This precedent will be found in the CONGRESSIONAL RECORD, pages 7706–7754, on H.R. 4877, a supplemental appropriations bill.

The CHAIRMAN. Does the gentleman from Illinois (Mr. MIKVA) wish to be heard further on the point of order?

Mr. MIKVA. I do, Mr. Chairman.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois.

Mr. MIKVA. Mr. Chairman, I particularly call attention of the Chair to the second half of the amendment, which imposes an affirmative duty on the Secretary, saying that such arms shall not be withheld from distribution to purchasers who qualify for purchase of said arms pursuant to title 10, United States Code, section 4308.

Under the general existing law, there are all kinds of discretions that are allowed to the Secretary to decide whether or not such arms shall be distributed. Under this amendment, the existing law is to be changed and those arms may not be withheld. The practical purpose is to turn lose 400,000 to 500,000 rifles into the body politic.

But the parliamentary effect is clearly to change the existing law under which the Secretary can exercise all kinds of discretion in deciding whether or not those arms will be distributed. Under this amendment it not only limits the fact that the funds may be obligated but it specifically goes on to affirmatively direct the Secretary to distribute such arms under title X, which is an affirmative obligation, which is exactly the kind of obligation the rules prohibit, and I renew my point of order.

Mr. JOHN T. MYERS. Mr. Chairman, section 4307 provides for the sale of these surplus weapons. This amendment does nothing more than provide that, in this title of section X.

The CHAIRMAN (Mr. ROSTENKOWSKI). The Chair is ready to rule.

The Chair has read the section to which the gentleman refers, title 10, United States Code, section 4308, and is of the opinion that it does not require that all firearms be distributed to qualified purchasers. The Chair further feels that while the first part of the amendment is a limitation, the last part of the amendment is a curtailment of Executive discretion, and the Chair sustains the point of order.

The Clerk will read.

The Clerk read as follows:

FOREIGN CURRENCY FLUCTUATIONS, DEFENSE

For transfer by the Secretary of Defense to or from appropriations available for military functions of the Department of Defense for fiscal year 1979, or thereafter, for the expenses of military personnel or operation and maintenance, including the operation and maintenance portion of the Family Housing Management Account, established pursuant to section 501(a) of Public Law 87–554, in order to maintain the budgeted level of operations for such appropriations and thereby eliminate substantial gains and losses to such appropriations caused by fluctuations in foreign currency exchange rates that vary substantially from those used in preparing budget submissions; $500,000,000, to remain available until expended: *Provided*, That funds transferred from this appropriation shall be merged with and be available for the same purpose, and for the same time period, as the appropriation to which transferred, and funds transferred to this appropriation shall be merged with, and be available for the purpose of this appropriation until expended: *Provided further*, That transfers may be made from time to time from this appropriation to the extent the Secretary of Defense determines it may be necessary to do so to reflect downward fluctuations in the currency exchange rates from those used in preparing the budget submissions for such appropriations, but transfers shall be made from such appropriations to this appropriation to reflect upward fluctuations in currency exchange rates to prevent substantial net gains in such appropriations: *Provided further*, That the Secretary of Defense shall provide an annual report to the Congress on all transfers made to or from this appropriation.

AMENDMENT OFFERED BY MR. VOLKMER

Mr. VOLKMER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VOLKMER: On page 14, after line 7, insert a new paragraph to read as follows:

TWO PERCENTUM REDUCTION

Of the total budget authority in this title, for payments not required by law, two percentum shall be withheld from obligation and expenditure: *Provided*, That of the amount provided in this Title for each appropriation account, activity, and project, for payments not required by law, the amount withheld shall not exceed five percentum.

Mr. McEWEN. Mr. Chairman, will the gentleman yield for a parliamentary inquiry?

Mr. VOLKMER. No; I do not yield for that purpose.

Mr. Chairman, this is another 2 percent amendment on title III. It provides for a 2-percent cut across the board for all the operation and maintenance part of the bill.

I believe there is no question as to the purpose of it. It is to reduce the expenditures by 2 percent on each and every item within the title that can be reduced for payments not required by law.

In reviewing it I feel personally that there is no question that 2 percent can be reduced and yet provide for sufficient operation of our military and our defense of this country.

I again reiterate, as I said in the previous amendment, that I believe that there is 2 percent than can be reduced as a savings to the people of this country and that it will not provide any basis on which the military defense of this country would collapse.

I believe that we would still be able to have a first rate military defense in operation in this country.

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

Mr. MAHON. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Missouri (Mr. VOLKMER).

Mr. Chairman, there is really nothing more important in this appropriation bill than funds for operation and maintenance. You can have all the money you want for research and development and you can have all the money you want to pay to personnel and otherwise, but if you do not have money for the operation and maintenance of the defense establishment, you do not really have a Defense Department.

So it is not surprising that the operation and maintenance budget is a huge budget.

One of the reasons why it is so huge is because of inflation. Everything has being going up, up, and up. The Air Force, the Navy, and the Army purchase about $4 billion worth of fuel, for example, and fuel is going up. Inflation besets us on all sides. It seems to me very unwise to reduce by several hundred million dollars, in fact $747 million, the operation and maintenance requirements as set forth in this bill. I do not mean that we in the committee have rubberstamped the operation and maintenance budget. We cut the operation and maintenance funds as requested in the budget by $1.2 billion. We cut them but we also added slightly over $1.1 billion. If we are going to maintain our forces and if we are going to maintain our base establishment, we have to have the money with which to do it.

We added $1.1 billion. We added $500 million for currency devaluation because of the increase in pay that civilians in Germany and elsewhere who work for the Defense Department get, the foreign nationals, because we have agreed to pay them at a certain rate. The dollar has gone down, down, and down, so it costs

more dollars to provide the same pay. That cost a half a billion dollars that we have added above the budget. The gentleman from Tennessee made reference earlier in the debate today to the deplorable condition of some of the installations and medical facilities in particular and the deterioration that is taking place. We added above the budget $82.5 million for real property maintenance and the committee specified it could not be used for anything other than property maintenance. We are trying to protect the taxpayers and the Department of Defense from even greater expense in the future if this work is not done now.

So I think it would be very ill advised to adopt the gentleman's amendment, since we want the maximum degree of readiness in our Armed Forces. Cutting back on O. & M. funds would make the Armed Forces unable to do their job at home and abroad.

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

Mr. MAHON. I yield to the gentleman from Georgia.

Mr. FLYNT. Mr. Chairman, I want to associate myself with and concur in the remarks made by the gentleman from Texas (Mr. MAHON), the chairman of the Committee on Appropriations.

To accept this amendment would be to cut back the flying hours of our aircraft, the steaming hours of our naval fleet and the readiness ability of our Armed Forces. This amendment would reduce training requirements to an unacceptable minimum.

Certainly we do not say that the figure in this bill is magic or that it is perfect. It is the best figure with which the subcommittee could come up after months of hearings and a markup which lasted for most of 5 calendar weeks during this year.

I think it would be foolhardy and unacceptable to reduce the training elements of the defense budget, which provides for the training and proficiency of the men and women in all the uniformed forces of this country.

Mr. Chairman, I, too, hope the amendment will be defeated.

Mr. MAHON. I thank the gentleman for his excellent remarks.

May I add, with respect to safety, that we have added additional funds for the maintenance of aircraft. These aircraft cost money, and the maintenance of these aircraft relates to the safety of our military personnel. Therefore, it seems to me that it would be most unwise for us to reduce the margin of safety in the Armed Forces, which this amendment would tend to do.

Mr. Chairman, if we want to close a lot of bases, and that would not have much of an impact in the short run, but in the long run, it would have a major impact, it seems to me we should vote to do that knowing what we are doing. This amendment would not specify where the reductions would be made.

Mr. Chairman, this amendment ought to go down with a resounding "no."

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

Mr. Chairman, First of all, operation and maintenance is an extremely important part of the operation of the military. Still, this subcommittee has cut tremendous amounts of money out of this area already. We had some of our greatest arguments in committee about the amount of money we would cut.

Just as examples, Mr. Chairman, on the Army O. & M., we cut $136 million; on the Navy O. & M., $137.8 million; on the Air Force O. & M., $171.3 million; and so on.

The only place in which we went over the budget was in the O. & M. for the Naval Reserve and just a small amount for one other item, $13,000.

If the Members want to look in the committee report, it is on page 443. They can see what we have done.

Therefore, Mr. Chairman, the real culprit in here is the fact that we had to add a half billion dollars in foreign currency fluctuations, something we had absolutely no control over. The dollar has been bounding all over the place in foreign countries, and we had to put this money in. If we had not had to put that money in, we would have cut over a half billion dollars in this particular title.

Mr. Chairman, I think the committee has done a good job on this title, perhaps too good a job; but certainly it does not warrant a further cut of 2 percent.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri (Mr. VOLKMER).

The amendment was rejected.

AMENDMENT OFFERED BY MR. MCEWEN

Mr. McEWEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McEWEN: On page 14, line 7, add the following section:

XIII OLYMPIC WINTER GAMES

For logistical support and personnel services to the XIII Olympic Winter Games; $2,000,000. During the current fiscal year, the Secretary of Defense may transfer the funds made available for this purpose to any appropriation contained in title I or title III of this Act or any subdivision thereof: *Provided*, That funds transferred pursuant to this authority shall be merged with and made available for the same purpose as the appropriation to which transferred: *Provided further*, That transfer authority provided herein shall be in addition to that provided in section 833 of this Act.

Mr. EDWARDS of Alabama. Mr. Chairman, will the gentleman yield?

Mr. McEWEN. I yield to the gentleman from Alabama.

Mr. EDWARDS of Alabama. Mr. Chairman, we will accept the amendment on this side.

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

Mr. McEWEN. I yield to the gentleman from Texas.

Mr. MAHON. Mr. Chairman, the $2 million has been authorized by both the House and Senate and agreed to in conference. We accept the amendment. I believe it is a good amendment.

Mr. McEWEN. I thank the chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. McEWEN).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE IV

PROCUREMENT

AIRCRAFT PROCUREMENT, ARMY

For construction, procurement, production, modification, and modernization of aircraft, equipment, including ordnance, ground handling equipment, space parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, without regard to section 4774, title 10, United States Code, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title as required by section 355, Revised Statutes, as amended; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $916,708,000, to remain available for obligation until September 30, 1981.

AMENDMENT OFFERED BY MR. DICKINSON

Mr. DICKINSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DICKINSON: On page 14, line 24, strike "$916,708,000;" and insert in lieu thereof "$917,401,000.".

Mr. DICKINSON. Mr. Chairman, this was the other figure that we discussed earlier that we offered en bloc. I do not believe that there is any objection to them since they were to be coupled together.

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

Mr. DICKINSON. I will be pleased to yield to the gentleman from Texas.

Mr. MAHON. I thank the gentleman for yielding.

The House made a decision in regard to this matter, and there is no objection to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama (Mr. DICKINSON).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

MISSILE PROCUREMENT, ARMY

For construction, procurement, production, modification, and modernization of missiles, equipment, including ordnance, ground handling equipment, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefore, without regard to section 4774, title 10, United States Code, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title as required by section 355, Revised Statutes, as amended; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $757,900,000, to remain available for obligation until September 30, 1981.

AMENDMENT OFFERED BY MR. MAHON

Mr. MAHON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MAHON:

On page 15, in lines 17 and 18, strike out "$757,900,000" and insert in lieu thereof "$738,100,000".

Mr. MAHON. Mr. Chairman, this amendment is offered in order to make the appropriation bill comport with the authorization bill. We are above the total figure as authorized, and the purpose of this amendment is to bring the figure down to the authorization bill. I ask for a favorable vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. MAHON).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

For construction, procurement, production, and modification of weapons and tracked combat vehicles, equipment, including ordnance, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, without regard to section 4774, title 10, United States Code, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title as required by section 355, Revised Statutes, as amended; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $1,555,200,000, to remain available for obligation until September 30, 1981.

AMENDMENT OFFERED BY MR. MAHON

Mr. MAHON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MAHON: On page 16, in lines 11 and 12, strike out "$1,555,200,000" and insert in lieu thereof "$1,528,400,000".

Mr. MAHON. Mr. Chairman, the figure in the bill before the House is above the conference agreement on the authorization. This amendment is offered in order to bring the total appropriation figure to the figure that was included in the authorization bill. There is no controversy so far as I know to the amendment, and I ask for a favorable vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. MAHON).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

AIRCRAFT PROCUREMENT, NAVY

For construction, procurement, production, modification, and modernization of aircraft, equipment including ordnance, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title as required by section 355, Revised Statutes, as amended; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; $4,504,000,000, to remain available for obligation until September 30, 1981.

Mr. MAHON. Mr. Chairman, the Committee on Appropriations recommends in the bill a much higher figure for aircraft procurement, Navy, than was provided in the conference agreement on the authorization legislation. Therefore, in order to bring the total appropriation figure down to the authorization figure, I offer the amendment and ask for favorable consideration.

The Clerk read as follows:

Amendment offered by Mr. MAHON: On page 18, line 20 strike out "$4,504,000,000" and insert in lieu thereof "$4,381,100,000".

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. MAHON).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SHIPBUILDING AND CONVERSION, NAVY

For expenses necessary for the construction, acquisition, or conversion of vessels as authorized by law, including armor and armament thereof, plant equipment, appliances, and machine tools and installation thereof in public and private plants; reserve plant and Government and contractor-owned equipment layaway; procurement of critical, long leadtime components and designs for vessels to be constructed or converted in the future; and expansion of public and private plants, including land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title as required by section 355, Revised Statutes, as amended, as follows: for the Trident submarine program, $274,800,000; for the SSN-688 nuclear attack submarine program, $351,900,000; for the aircraft carrier service life extension program, $32,200,000; for the DDG-2 guided missile destroyer modernization program, $128,000,000; for the CVN-71 nuclear aircraft carrier program, $2,129,600,000; for the FFG-7 guided missile frigate program, $1,493,100,000; for the AD destroyer tender program, $318,000,000; for the T-ARC cable laying ship program, $191,000,000; for craft, outfitting, post delivery, and cost growth on prior year programs, $769,400,000; in all: $5,688,000,000, to remain available for obligation until September 30, 1983: *Provided*, That none of the funds herein provided for the construction or conversion of any naval vessel to be constructed in shipyards in the United States shall be expended in foreign shipyards for the construction of major components of the hull or superstructure of such vessel: *Provided further*, That none of the funds herein provided shall be used for the construction of any naval vessel in foreign shipyards.

AMENDMENT OFFERED BY MR. YATES

Mr. YATES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. YATES: On page 20, line 2, after "$128,000,000"; strike the words and amount on lines 2 and 3: "for the CVN-71 nuclear aircraft carrier program, $2,129,600,000;"

On page 20, line 8, after "in all:" strike "$5,688,000,000," and insert in lieu thereof "$3,558,400,000,".

Mr. YATES. Mr. Chairman, this amendment would strike from the bill the funds that have been inserted for a new nuclear-powered aircraft carrier. We now have 13 carriers in the fleet. There are three nuclear carriers. There is one that is building in Newport News and it is scheduled to be completed in 1982.

The new nuclear carrier has been inserted over the opposition of the President of the United States. The President of the United States has asked that the funds be not inserted in the bill. He is opposed to the carrier at this time. The Secretary of the Navy has voiced his opposition to the carrier at this time and the ranking members of the Defense Subcommittee of the Committee on Appropriations, Chairman MAHON, and the ranking member, the gentleman from Alabama (Mr. EDWARDS) are both opposed to the insertion of funds for this nuclear carrier at this time.

The vote in the Committee on Appropriations on my amendment to remove these funds was 26 to 26. I lost by a tie vote.

Now, will the removal of these funds hurt national defense? I do not think so. I think, as a matter of fact, it may help the national defense, because it gives us another year to try to bring some semblance of order into an enormously complicated debate and into an area of uncertainty.

There is a very great question as to whether or not the Newport News Shipbuilding Co., which is the only yard in the country in which a nuclear carrier can be constructed, can accommodate the ship at this time.

A letter was received last week from the company saying that it could do so; but I suggest to the House that permitting the carrier to be built at this time by the Newport News Co. is inviting a controversy which exceeds even the one that is currently going on.

The CVN–71, the nuclear carrier that is scheduled for delivery in 1982, has been under construction without a contract. We still do not know what the terms of the agreement between the company and the Navy are going to be. We know what the cost is supposed to be; but there is no agreement on that. The Newport News Shipbuilding Co. has outstanding claims against the Navy at this time in excess of $700 million. We know that the amount they have agreed on originally for this carrier is not going to be the amount for which the carrier will be constructed.

We know, too, that the amount that is supposed to be the cost of the carrier for which the funds are inserted in this bill cannot possibly be the amount for which it will be constructed, because it will not be ready for another 10 years. I will have more to say about that later Mr. Chairman, there will be no hurt to the national defense in the event that my amendment is sustained. There is a difference of 1 year in the construction.

The question is whether or not we have the carrier delivered, assuming funds are approved, in the year 1987 or in the year 1988, and only a seer or only a magician would know what the state of the art of war would be at that time.

My good friend, the gentleman from Missouri (Mr. BURLISON), presents a very cogent argument for constructing a nonnuclear carrier, and Mr. Claytor, who is one of the Secretaries in the Department of Defense, holding a high position of responsibility, has said that he favors the construction of the nonnuclear carrier. As a matter of fact, he says it is cheaper and as effective in many ways as a nuclear carrier, and we could buy three of those for the cost of two nuclear carriers.

But the point is this, Mr. Chairman: Why must we make the decision at this time? The President and the Secretary of Defense have said we need another year to bring some order out of the chaos in the Navy's shipbuilding program.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. YATES) has expired.

(By unanimous consent, Mr. YATES was allowed to proceed for 3 additional minutes.)

Mr. YATES. Mr. Chairman, we will hear the argument that this is an enormously powerful weapon that we must have in our arsenal. There will be those Members who will arise to say that the carrier is practically invulnerable, that it is a ship that just cannot be sunk. I have also heard the argument in the Committee on Appropriations that no carrier was ever sunk.

But, Mr. Chairman, 5 of our carriers were sunk in World War II, 17 Japanese carriers were sunk in World War II, and 6 British carriers were sunk in World War II. So I say to those who argue that the carrier cannot be sunk that history does not agree with their arguments.

Will our national defense require a fifth nuclear carrier in 10 years from today? If you think we will, you should vote for the $2,100,000,000 above the budget for the nuclear carrier. If you do not, which is my belief, we can delete the money and postpone the decision for a year.

We have 12 aircraft carriers now. We have three nuclear now—four in 1982 if CVN–70 is completed on time. We have an additional carrier at Pensacola, Fla., which is used for training purposes. That is a pretty big sized aircraft carrier fleet without the additional nuclear carrier. A year's delay will not hurt us at all. It will probably help us.

The problem was well stated last week by my friend from Alabama (Mr. EDWARDS) who is ranking member of the Appropriations Subcommittee on Defense, requesting what we have to decide is what are the right ships at the right time. He voted and spoke strongly against the carrier in our committee. The gentleman from Texas (Mr. MAHON) who is chairman of that subcommittee and has been for so many years, voted against and spoke against the carrier in committee. There are no two more knowledgeable men in the House on the subject of national defense.

What are the right ships at the right time? The Navy has told the Congress that it needs 600 ships. Today we have approximately 460 ships. So we need an additional 140 ships. We can buy a lot of those ships for the billions that are represented by the cost of the nuclear carrier and its appendages.

I use the phrase "when the CVN–70 is delivered in 1982." Let us hope it will be delivered at that time. I raise that point seriously for even though the *Vinson* is being constructed now at the Newport News Shipbuilding Co.'s installation in Virginia, the Navy and the company have still not agreed upon the terms of the contract.

It is generally accepted that any new nuclear carrier can only be built by one shipbuilding company, the Newport News Shipbuilding & Dry Dock Co. Apart from the question of cost and other contracted terms, it is problematic whether the company can build two carriers at this time. It says it can. It wrote a letter last week that a new one could be started while the old one was being finished. But even assuming they can do so there are many who doubt the wisdom of this tremendous undertaking—particularly when there is no agreement on basic costs.

Four years have gone by since the company began to build the *Vinson*. The Navy and the company have still been unable to come to any agreement on a contract.

In January of this year, Newport News submitted a new proposal for the CVN–70 contract. That proposal requests a number of protective contract clauses the Navy is not willing to accept, probably for good and valid reasons. Negotiations were resumed in April 1978 but were terminated in June when Newport News withdrew its CVN–70 contract proposal. It can be assumed reasonably that Newport News will demand the same protective clauses in the CVN–71 contract that it desires in the CVN–70 contract. Furthermore, Newport News and the Navy have been unable to settle over $740 million worth of claims, of which nearly $250 million involve nuclear-powered aircraft carriers CVN–68 and 69 already delivered to the Navy by that shipyard. And on top of all that trouble, the shipbuilder has taken the Navy to Federal court on a nuclear-powered cruiser under construction at Newport News.

Let me quote what Admiral Rickover testified this year before our committee with regard to this very matter.

I, of course, cannot assure you that Newport News management will not, given their sole source position on the carrier . . . insist on unreasonable contract terms and conditions that would be unacceptable to the Navy. Negotiations for definitization of the CVN–70 contract are expected to begin before the end of April. Newport News' attitude in these negotiations will be very important in answering the question you are raising.

Those negotiations were terminated in June 1978 when Newport News withdrew its proposal. Is there anyone here that seriously advocates that we throw a $2.4 billion aircraft carrier into the midst of that adversary environment—a $2.4 billion shipbuilding program on which the Navy would be unable to negotiate and sign a specific construction contract? I do not think so.

Since the early 1970's, the Navy has been attempting to increase the number of ships in the fleet after older, less capable ships had to be retired for economy reasons. Numbers of capable ships are important. The fewer ships we have, the less number of areas of the world we are able to patrol and protect. The recent history of our shipbuilding program clearly shows that building more expensive and sophisticated ships ultimately leads to longer construction periods, increased costs, and fewer ships for our Navy. By funding another nuclear-powered carrier, we perpetuate this undesirable trend toward a smaller U.S. Navy. The $2.1 billion we are discussing is not the end. The Navy will have to use some $300 million worth of nuclear propulsion spares, which Congress funded to support our three newest nuclear-powered carriers, in the construction of the CVN–72. These spares will have to be replaced subsequently at a cost of probably $400 million. Furthermore, CVN–71 would represent a fifth nuclear-powered carrier. And a fifth nuclear-powered carrier will require two to three additional nuclear-powered cruiser escorts at a cost of $1.5 billion to $2 billion each when they are finally built. And all this means fewer ships for our Navy.

The conference on the Defense Authorization bill just concluded Monday of last week made two landmark decisions: Title VIII of the Defense Authorization Act of 1975 was repealed. That title established as a matter of law that the policy of the United States is to provide nuclear propulsion for major combatants—including aircraft carriers—built for naval strike forces, unless the President deemed otherwise. That law will no longer be on the books. Furthermore, the authorizing conferees agree to a new section 810, which states:

NAVY SHIPBUILDING POLICY

"SEC. 810 (a) It is the policy of the United States to modernize the combatant forces of the United States Navy through the construction of advanced, versatile, survivable, and cost-effective combatant ships in sufficient numbers and having sufficient combat effectiveness to defend the United States against enemy attack and to carry out such other missions as may be assigned to the Navy by law. In order to achieve such policy and Navy should develop plans and programs for the construction and deployment of weapon systems, including Navy aviation platforms, that are more survivable, less costly, and more effective than those presently in the Navy.

"(b) In order that the Congress may be kept currently informed regarding compliance with the policy expressed in subsection (a), the President shall include in all requests made to the Congress for the authorization of any ship for the combatant forces, including any aircraft carrier, (1) his conclusions with respect to the survivability, cost effectiveness, and combat effectiveness of such ship, (2) a recommendation whether such ship should be nuclear or conventionally powered, and (3) the reasons for such conclusions and recommendations.

"(c) Title VIII of the Department of Defense Appropriation Authorization Act, 1975 (88 Stat. 408) is repealed."

I would submit to you that the foregoing legislation setting forth Navy shipbuilding policy is another good reason why Congress should not insist upon funding another nuclear-powered carrier at this time. I, for one, would prefer to see in writing the position of the Navy and the President with respect to the survivability, cost-effectiveness, and capabilities of less costly alternatives to a nuclear-powered aircraft carrier instead of Congress forcing a CVN–71 on the President. Let us see the results of this new expression of policy from Congress.

The foregoing new expression of Navy shipbuilding policy brings me to the survivability question with respect to air-

craft carriers, particularly when we can afford so few. Some people point to the relative invulnerability of aircraft carriers. As a matter of fact, in our full committee, it was stated that there has never been a large aircraft carrier sunk by an enemy. We all know, of course, that you do not have to sink an aircraft carrier to render it useless. Damage to the flight deck, making it impossible to launch and recover aircraft, is all that is necessary to send an aircraft carrier back to port for repairs of some 6 months' to a year's duration. But let us look at the record of aircraft carriers during World War II, when we had 17 large CV's and over 100 smaller CVE carrier escorts. We lost five large CV's between 1942 and 1944. That number represented 29 percent of our large carrier force. The British lost five aircraft carriers during World War II, and we sunk a total of 17 Japanese aircraft carriers during the war. The carrier *Enterprise*, which joined the fleet in 1938, was damaged in six different actions during World War II over a period of 3 years, and she was forced out of action on two of those occasions and sent to port for repairs. There are many other instances of carriers forced out of action during World War II by enemy action. And this was all at a time when there was no such thing as cruise missiles that can be used by the enemy to saturate carrier defenses and damage or destroy these large targets, putting them and their aircraft out of action. If we lost five aircraft carriers in the next war, we have lost 42 percent of our deplorable carrier force. And we will not have backup ships we might have built in place of one or more of the carriers.

Let me point out what a DOD official said in our hearings this year about the future role of the aircraft carrier and its vulnerability. Mr. Robert A. Moore, Deputy Under Secretary of Defense for research and engineering—tactical warfare programs—testified as follows:

What should be the future role of aircraft carriers? Mobility, flexibility, and freedom from geopolitical constraints make carriers valuable for peacetime presence, crisis control, and unilateral military action. The carrier role in supporting NATO forces in event of war with the Soviet Union would be restricted by geography and the large recources needed for carrier defense against high-intensity threats.

What I am saying is, if you put a carrier task force in the North Atlantic by the Norwegian Sea, it is going to be very difficult to defend. Carriers would be useful both for some sea control roles and in peripheral and remote areas in such a conflict.

How many carriers do we need? For the present we need to keep four carriers forward-deployed, that is what we have today, to meet our commitments and to give ourselves adequate flexibility for a response to time of crisis. . . .

In order to meet needs for maintenance and crew rest, 12 carriers are needed to keep four forward-deployed. We have not found a practical way to reduce this number without additional foreign basing of aircraft carriers and, of course, personnel and their families.

And finally I would like to mention the cost history of our nuclear-powered aircraft shipbuilding program. History tells me that the current estimated cost of $2.4 billion for CVN–71 could be very "soft" if our experience on her sister ships is a yardstick. Construction of the *Nimitz*, *Eisenhower*, and *Vinson* are currently estimated to cost on the average of 42.2 percent more than the estimated cost of those ships at the time they were first budgeted. After building the *Nimitz* and the *Eisenhower* the Navy currently estimates that a third carrier of that class, the CVN—Vinson—will now cost $1.3 billion. or 37 percent more than the $951 million original end cost estimate provided by the Navy when it was first funded by Congress. So, I am not impressed with the fact that CVN–71 will be a carbon copy of earlier carriers and that it will cost $2.4 billion. At best, these are big, expensive, high value targets for any enemy.

In summary, Mr. Chairman, I cannot understand why we insist on wasting $2.1 billion on a nuclear-powered aircraft carrier the President did not ask for, he does not want, and cannot be placed under a definitized construction contract this year. This unbudgeted carrier will tend to perpetuate the trend toward a smaller Navy, and is contrary to the new expression of Congress embodied in the authorization bill with respect to Navy shipbuilding policy. We have enough of these costly nuclear-powered carriers to meet the contingencies now and in the 21st century that require nuclear propulsion, and it is totally wrong to fund another one above the budget this year when the future trend is toward smaller carrier decks when V/STOL aircraft become available in the mid to late 1990's. I urge adoption of my amendment.

AMENDMENT OFFERED BY MR. BURLISON OF MISSOURI AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. YATES

Mr. BURLISON of Missouri. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. BURLISON of Missouri as a substitute for the amendment offered by Mr. YATES: Page 20, line 2, strike out "for the CVN–71 nuclear aircraft carrier program, $2,129,600,000;" and insert in lieu thereof "for the conventional-powered aircraft carrier program, $1,535,000,000."

POINT OF ORDER

Mr. BENNETT. Mr. Chairman, I raise a point of order on the amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. BENNETT. Mr. Chairman, it would seem to me that this amendment would be subject to a point of order. I have not deeply researched the matter, but we do have a bill before us which passed both the House and the Senate, and that language provided for a nuclear carrier. This bill that is before us specifically provides for a nuclear carrier, and it does not provide for any other type of carrier.

Therefore, it seems to me this amendment would be adding new provisions to the bill in a way which is inconsistent with germaneness. The amendment adds another kind of carrier, but the carrier which is specifically mentioned in the bill is the CVN–71, and it is specifically described as a nuclear carrier.

Therefore, I think the amendment is subject to a point of order.

The CHAIRMAN. Does the gentleman from Missouri (Mr. BURLISON) desire to be heard on the ploint of order?

Mr. BURLISON of Missouri, Yes, I do, Mr. Chairman.

Mr. Chairman, in view of the fact that we do not have authorization legislation, we are considering this bill now under a waiver of points of order in the first place.

In the second place, Mr. Chairman, the authorization bill merely states a sum of money for shipbuilding and places in the report a discussion about what ships might be constructed. We all know, of course, that language in a committee report is not legislation.

Therefore, the point of order raised by my friend, the gentleman from Florida (Mr. BENNETT) should obviously not lie.

Mr. BENNETT. Mr. Chairman, may I be heard further on the point of order?

The CHAIRMAN. The Chair will hear the gentleman.

Mr. BENNETT. Mr. Chairman, the point of order is to the amendment, and although the bill is not subject to a point of order, amendments thereto, it would seem to me, would be subject to a point of order to be appropriate.

The CHAIRMAN. Does the gentleman from Missouri (Mr. BURLISON) desire to be heard further?

Mr. BURLISON. No, I do not, Mr. Chairman.

The CHAIRMAN (Mr. ROSTENKOWSKI). The Chair will observe that the Committee on rules did waive points of order to the pending paragraph, but it did not waive points of order against amendments.

The Chair will point out that unauthorized items in a general appropriation bill being considered under a special rule waiving all points of order may be perfected by germane amendments merely changing a figure, but such procedure does not permit the offering of amendments adding further unauthorized items on appropriation. As far as the Chair is aware, the conventional powered aircraft carrier is not authorized, and the Chair would have to sustain the point of order made by the gentleman from Florida.

Mr. BURLISON of Missouri. Mr. Chairman, I believe the chairman has not addressed the point that I raised about the authorization bill itself failing to designate what ships are to be built. In other words, there is a single figure in the authorization bill for shipbuilding, and that is what my amendment is to.

The CHAIRMAN. The Chair would also have to observe that the authorization bill is not signed and, therefore, it is not yet law.

The Chair sustains the point of order.

Is there further debate on the Yates amendment?

Mr. BENNETT. Mr. Chairman, I move to strike the requisite number of words.

Mr. BENNETT. Mr. Chairman, this debate is sufficiently important that we do not want to have any inaccuracies made, I believe I heard it said that the Secretary of the Navy has said the nuclear carrier was on the same par as the nonnuclear carrier as a matter of effectiveness, and I am sure there is no such statement by the Secretary. If he had said that he would be in error, clearly.

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

Mr. BENNETT. I yield to the gentleman from Illinois.

Mr. YATES. I thank the gentleman for yielding, and I would like to say that if that is what I said—and I do not think that it is—I was in error. What I did say was that there is a dispute as to whether or not the nonnuclear would be as effective, cost effective, as a nuclear carrier, in that you can buy three of them for the same price that you can buy two nuclear carriers. I think he made the point.

Mr. BENNETT. Mr. Chairman, I wanted to clarify the record. The Secretary did not negate the superior effectiveness of the nuclear carrier. He said if we authorized it, he would build it with enthusiasm.

What is the dissent? There is no dissent on the part of people who have to fight. There is no dissent among the admirals, the captains, the officers and enlisted men. They all approve the nuclear carrier as being more cost effective, more combat effective, than the conventional type carrier. It is purely a budgetary thing that comes from the President. It is clear in all of the hearings that this is what it is. There were extensive hearings held on this.

Let me say that this idea of postponing until next year this decision really is an echo of the past, because that was exactly what was said a year ago and, therefore, a year ago in the Conference Committee between the House and the Senate in the authorization, I cut the Gordian knot myself. A lot of people said we should not do that. They said, "You are responsible in the field of ships, you know the nuclear ship is the better ship. You are just postponing it for a year." I said, "No, there is some doubt among Members of Congress as to whether we could have a nuclear or a conventional type carrier." So I agreed to a final study against the opinions of some of the members of the Committee on Armed Services. I said, "Bring back a new study," and the sea-based air platform study was then produced. That study showed without doubt whatsoever that we should go for a nuclear carrier with no dissent.

Since that time the Navy has decided that it does not plan to ask for any but one carrier between now and the year 2000 anyway. The sea-based air platform study is about 300 pages thick. There are also about 30 pages of hearings on this study in the Seapower Subcommittee. The authorities said without dissent, that the nuclear carrier is the way to go. So there is no dissent whatsoever on the part of the people who have to do the fighting or using the ships.

The ability of the Newport News has been addressed here. Newport News has said it is ready, willing and able to build the ship. As a matter of fact, they are now building the CVN-70. They are building it under a contract which allows for an option under which this ship the CVN-71 can be built. We could go ahead and build the ship. Newport News has said they can build it. They are ready to build it. And, as a matter of fact, they say if they do not have this follow-on they are going to have to let off thousands of people. And when they let off thousands of people and have to hire new people to build another ship later and those people are not trained, there is only one way it can affect the Treasury of the United States, and that is by eating up the dollars by those people who are not trained to do the work. So it would cost the Treasury more money to proceed in that dilatory manner, of postponing to a later year.

The ability of the carrier to survive has been addressed here. It is true that a carrier can be shot down. It is not true that any modern carrier has been shot down in battle. That record is worse among the antique carriers, which were the first to be shot down in World War II. But no modern carrier has ever been shot down. Now it is true that undoubtedly some carriers can be shot down.

The CHAIRMAN. The time of the gentleman from Florida (Mr. BENNETT) has expired.

(By unanimous consent, Mr. BENNETT was allowed to proceed for 5 additional minutes.)

Mr. BENNETT. Mr. Chairman, no modern carrier has experienced that. I am sure some modern carrier probably will, but it is still the most invulnerable piece of geography on Earth. It is the most invulnerable piece of geography on this Earth—because anything comparable that is a base on dry land, would not have the ability to move and so obviously could be more easily destroyed and eliminated.

The ability of the carrier to move from one spot to another with an ultimate diversion of thousands of miles, as it wishes to do so, makes it the most invulnerable piece of geography there is. There are many things built into the nuclear carrier which make it invulnerable also.

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

Mr. BENNETT. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, the gentleman from Florida indicated it was under an option contract and there were one or two points in the contract that have not been agreed upon. That is true. The points that have not been agreed upon relate to the price of the carrier and then the clause that the shipbuilding company wanted to insert in the contract and which the Navy refused to accept. The completion date is still not set and there are any number of important items that still have not been agreed upon.

Does the gentleman think it makes sense to go into the construction of another nuclear carrier with the tremendous cost it has without knowing what the basic contract provisions are likely to be?

Mr. BENNETT. Yes; I will be glad to answer.

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

Mr. BENNETT. I will yield to the gentleman from Florida first.

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

Mr. Chairman, is it not true this so-called definitization of the contract itself has nothing to do with the construction?

Mr. BENNETT. Not a thing in the world.

Mr. CHAPPELL. It has nothing to do with the construction or the ability of this concern to build the ship. It has solely to do with the legal questions. Is that not correct?

Mr. BENNETT. That is correct.

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

Mr. BENNETT. I yield to the gentleman from Georgia.

Mr. FLYNT. Mr. Chairman, I would like to state further that the authorization which authorizes the CVN-71 in effect provides for construction of the CVN-70, so certainly the cost of the CVN-71 would be the same as the CVN-70 plus inflationary factors. I thank the gentleman for yielding.

Mr. CHAPPELL. Mr. Chairman, if the gentleman will yield further, is it not also true that the Navy and the contractor have ironed out all of their problems except one or two minor details and they expect to have everything completely definitized in the next 2 or 3 weeks?

Mr. BENNETT. I do not know about the precise time element as to when they expect to have it definitized, but what I do want to say to the gentleman is that the details of the shipbuilding have been pretty well finalized now.

Difficulties in the shipbuilding have been pretty well finalized now. There is a report, about 150 pages of material, which goes into things that the Navy has been doing with regard to contracts, improving the way in which they handle business.

There is nothing unusual about what they are doing. On the CVN-70, they are doing it on a cost plus basis. That is a valid way to do things. Many of our ships are built in that way. The Navy is trying to save every penny it can.

If only the same degree of care were taken in the Department of HEW, which admits by its own internal arrangements that they spend up to $6 or $7 billion per year in corruption and waste. The ship claims-problem is an accumulation of 15 years. There is a question of claims which run $2½ billion over that period of time, not involving billions and billions in a period of 1 year. It is only a $2½ billion overrun. I think it is a fantastically good job that they have done in comparison to other branches of the Government.

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

Mr. BENNETT. I yield to the gentleman from Virginia.

Mr. ROBINSON. Mr. Chairman, I would ask the gentleman from Florida (Mr. BENNETT) if it is not correct that the shipbuilding involving the CVN-70, even though there is no contract for the moment, is going ahead on schedule, there is no work stoppage of any kind. It is proceeding on schedule?

Mr. BENNETT. That is correct.

Mr. Chairman, there is one thing I would like to address and it has not come up so far and perhaps I should not bring it up for that reason, but some people are concerned that when you build a nuclear carrier some say you have to have all these other nuclear cruisers that are used in connected with the nuclear carrier. We already have some nine nuclear cruisers now, and if you had to add one new nuclear cruiser it would be just something that we would have to build anyway. It would probably be one which would have the aegis on it; and the difference in price is $285 million between a nuclear and nonnuclear aegis cruiser. So we are not dealing in billions of dollars in extra costs.

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

Mr. BENNETT. I yield to the gentleman from Virginia.

Mr. TRIBLE. Mr. Chairman, the question raised by the speaker in the well covering the issue of the claims controversy and its impact on the construction of the ship, I would remind the Members that just a few days ago the Secretary of the Navy testified before the Committee on Armed Services that the negotiations on the contract are moving ahead, that meetings are being held this very week and he is optimistic that it will conclude the difficulties in the contract, and that this has in no way affected the construction of the ship. It moves ahead quickly and promptly on a construction basis.

Mr. BENNETT. I thank the gentleman from Virginia.

Mr. Chairman, it is an important ship and one that we need, and if we postpone any action on this it will cost us more money. I hope all of the Members will back this particular proposal later in the bill.

Mr. LLOYD of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think by now most all of the Members of the House are acquainted with the fact that I was a career Naval flyer and spent a good part of my life operating off of carriers with a total of 14 carriers.

It is because of this experience that I so highly respect and I am so supportive of the carrier.

There are all kinds of arguments as to why we ought not to be involved in the building of another nuclear carrier. I can personally give you plenty of arguments against it. It is regrettable that our Nation has to spend its time and efforts on such a project when we have so many other pressing issues, that we have to spend so much on national defense, but, unfortunately, these are the facts of life.

Our first line of defense, or, better yet, if we have to attack, either way, defense or attack, it is the carrier, it is the Navy, the Navy carrier that gets the job done.

I would also point out to the Members that everything is expendable. People have asked me occasionally, "Well, would a nuclear carrier survive a nuclear attack?"

Well, if you hit it right on the flight deck the answer is probably not. But I would remind you gentlemen right now that there are missiles programed in the U.S.S.R. for the building you are sitting in and I want you to know something, the carrier is a whale of a lot more survivable than where you are sitting.

I would remind the members that every airfield, military airfield, is also not survivable because it has already been preprogramed.

As my good friend, the gentleman from Florida, has pointed out, the carrier can move; and therefore, there is no ballistic missile which has that program set, unless, of course, the carrier is not going to depart from port at Norfolk or wherever it may be. I doubt seriously that that is the intent of what the Navy is going to do.

Let us talk about the efficiency of the operation. Let us talk about what has happened in the past.

In the past, for instance, when we pulled out of Vietnam, we lost millions and millions of dollars worth of equipment. We lost airfields when we pulled out of there. However, I want to point out one thing: There was not one item which was lost as a result of the withdrawal of the carriers, not one. Everything we had came back out of Vietnam, and it is available for use right today. Therefore, let us not forget what that mobile airfield really provides.

Beyond that, I hear people say, "The tactics are archaic. Really all the aircraft can do is to sort of defend themselves."

That is simply not true. As a matter of fact, Mr. Chairman, if we do not approve this carrier, we will be doing the greatest of favors to a potential enemy, no matter who that enemy is or where that enemy may be, for the simple reason that they fear the carrier first. They first have to destroy the carrier. They have to expend all their efforts to defeating that weapons system. The reason for that is that that carrier can be anywhere on this globe at any time, and it does, the best of ships, dominate the sealanes.

People say, "Why not have cruise-missile cruisers or cruise-missile ships?"

Cruise missiles are only good for designated targets that have been preprogramed.

Someone could say, "The Russians, for instance, could have a cruise missile attack the carrier." Indeed, they can, but what they must do is that they must position that submarine with knowledge of where the carrier is. Once they position it, when they rise, the carrier's aircraft, already available and providing antisubmarine patrol, will be able to spot that submarine. Indeed, they will know exactly what they are doing because there is no way anyone can approach the carrier in that kind of environment without telling them exactly what it is that he is doing.

We must remember that this is the most sophisticated weapons system that we have. We have avionics. We have the weapons systems all together in this ship, and it gives us a total striking power in one area. Every battle commander will tell us that the most important thing that we must do in either defense or offense is to be able to concentrate force. I will be dog-goned if we do not have exactly that right now in the carrier.

The CHAIRMAN. The time of the gentleman from California (Mr. LLOYD) has expired.

(By unanimous consent, Mr. LLOYD of California was allowed to proceed for 2 additional minutes.)

Mr. LLOYD of California. Mr. Chairman, as a person who has experienced carrier aviation and as a person who thoroughly believes that this is, indeed, our first line of defense, I think this is the cheapest insurance we can have.

I would think that at this time our national military leaders would have some interest in trying to have a balance of power centralized in our total defensive and striking forces.

Interestingly enough, the epitome of that is the strike carrier.

Mr. Chairman, I very strongly urge that we go forward and support the nuclear carrier.

Mr. WHITE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the question before us is whether or not we should build a nuclear carrier.

The Committees on Armed Services of both Houses said that we should build a nuclear carrier. I need not remind the Members of the House that this is a critical time and will be a critical time up until the mid-1980's.

We know that Soviet strength is growing at a rapid pace and that perhaps they could intimidate us on some future occasion even without a war. It is necessary, if we are going to remain safe, to be able to project our strength, and we need to protect our sealanes because we are a maritime Nation, and we must give confidence to our allies.

We do not want to fight any battle on our own shores. The problem of recent years has been that we have shrunken our perimeters. We have lost one base or another throughout the world. We need platforms on which to project our power, and we have very few of these left at the present time. An example was during the Yom Kippur War. As the Members remember, only Portugal allowed American planes to land at their airfields in trying to carry supplies over to Israel.

Now we have the design at the present time of this carrier, the *Nimitz* class. If we are talking about waiting so we can get the conventional class carrier, we must remember we do not have a design for the conventional-class carrier. A nu-

clear carrier is the only sensible solution. Delay will certainly escalate the costs and, as I said, we have the design now. We could proceed with the nuclear carrier. As the cost of oil goes up, one can be sure that the cost of operating a conventional carrier is going to go up to the point where the conventional carrier that is being talked about will cost even more than the *Nimitz*-class nuclear carrier that we have.

A nuclear carrier can move about freely for approximately 10 years on its fuel core. A conventional carrier must proceed more slowly with its transport in order to refuel. It stops dead in the water to refuel and is, therefore, very vulnerable. It moves at a very slow pace with a larger supply group, at a great cost to the people. I think today the only sensible, viable solution is to maintain the nuclear carrier in order that we can continue to project our power in a conventional mode at the present time. We do not know that we are going to have a nuclear war; we only know that the Soviets have been trying to intimidate us. Only by showing the flag and keeping power projected forward are we going to be credible in our defenses to the rest of the world so that they know, indeed, that we stand behind our commitments.

Mr. ROBINSON. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Does the gentleman from Virginia realize that is not in order?

The Chair will put the question on the amendment.

Mr. ROBINSON. I have a point of order, Mr. Chairman. The Chair suggested putting the amendment to a vote.

The CHAIRMAN. The Chair has already ordered a quorum call in the Committee of the Whole today on this bill.

Mr. ROBINSON. I withdraw my request, Mr. Chairman. My memory is faulty.

Mr. BURLISON of Missouri. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, earlier I sought to offer an amendment to build a CVV medium-deck carrier in this fiscal year of 1979. As the Members know, that amendment was ruled subject to a point of order.

Mr. Chairman, the 5-year plan of the President, the shipbuilding plan which was sent to the Congress back in March, proposed the building of one more carrier to replace the *Midway* in the mid 1980's to maintain the same forces deployment that we have now with our carrirer to replace the *Midway* in the mid-port the Yates amendment and be in a position to carry out that administration recommendation.

I maintain that a conventionally powered ship slightly larger than the *Midway* which it replaces would be sufficient to perform this mission. As many have heard me say before, we are committed to having a mixed conventional nuclear carrier force at least into the 21st century.

How much difference does it make whether this mix is eight conventional and four nuclear, or seven conventional and five nuclear? I cannot really answer the question on my own, but I can look at reliable expert evidence, and I would consider the Department of Defense and the Secretary of Defense as proper authorities in this regard.

I would like to quote the testimony of the Secretary of Defense appearing before our Subcommittee on Defense Appropriations. He stated as follows:

> We already have enough carrier decks to project tactical air power . . . and provide fighter-attack support for our marine assault forces. However, we will need a replacement for the *Midway* in about 7 years. To minimize the cost of delivering the necessary sorties—and thereby to make the use of carrier-based aircraft more efficient against Soviet defenses, we should proceed with a medium-deck CVV rather than a large-deck, nuclear-powered CVN. As the committee knows, numbers of ships are important in determining combat power. On the one hand, there is the valid concern of the shrinking size of the U.S. fleet. On the other hand, we have a proposal to build the most expensive vessel in history. The Secretary of the Navy joins me in urging that this trend toward ever more expensive ships be stopped and that our next aircraft carrier be the conventionally powered CVV at a saving of roughly a billion dollars. If a CVN is built instead, there will be, in the long run, one way or another, a billion dollars less available for such needs as a larger number of Navy ships.

Now, Secretary Brown in talking about $1 billion less to construct this ship failed to mention that we also need with each of our carriers, escorts, carrier task forces. If we have a nuclear carrier, in order to get the full capability of that carrier we have got to have nuclear cruisers to escort it. The estimated cost per nuclear escort is about $1.5 billion per copy, while the cost of each DDG–47 conventionally-powered Aegis destroyer, which is the escort for the nonnuclear carrier, is about $760 million. Thus, the difference in buying conventional escorts versus nuclear escorts for this proposed ship is about $2 billion.

We had testimony before the Congress that an all-nuclear-powered carrier task force should have three nuclear-powered guided-missile cruiser escorts.

Incidentally, this came from the Chief of Naval Operations before our committee.

The CHAIRMAN. The time of the gentleman from Missouri (Mr. BURLISON) has expired.

(By unanimous consent, Mr. BURLISON of Missouri asked and was given permission to proceed for 3 additional minutes.)

Mr. BURLISON of Missouri. Mr. Chairman, on the basis that the Navy needs 12 CGN's to meet just the current requirements, we have only funded nine of them.

Interestingly enough. Mr. Chairman, Congress has not funded a nuclear escort since 1974. If we fund the CVN–71, this escort requirement immediately escalates to 15 CGN's. So, you see, our shortfall is now six CGN's if we fund this CVN–71. The estimated cost of six nuclear-powered escorts to fill this shortfall is in excess of $6 billion.

In light of past and current congressional reluctance to fund these surface escorts, it does not make much sense for us to go ahead and approve funding for an additional nuclear carrier when we already have a shortfall of three escort cruisers for the four nuclear carriers that have already been programmed.

So in summary, Mr. Chairman, I am saying that this House ought to follow the President's recommendation and come back next year and fund the CVV that we need to keep our carrier forces up to the present levels. By doing so, we would not only save $1 billion in construction but we would save in the vicinity of $2 billion additionally on escorts for one carrier by going the route recommended by the President.

Mr. Chairman, I hope that my colleagues will support the Yates amendment and carry out the President's recommendation.

The CHAIRMAN. The time of the gentleman from Missouri (Mr. BURLISON) has expired.

(On request of Mr. HUGHES, and by unanimous consent, Mr. BURLISON of Missouri was allowed to proceed for 2 additional minutes.)

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

Mr. BURLISON of Missouri. I will be glad to yield to the gentleman from New Jersey.

Mr. HUGHES. Mr. Chairman, I want to compliment my colleague, the gentleman from Missouri (Mr. BURLISON), on a very fine statement. I have a couple of questions in my mind.

As I understand it, the Chief of Naval Operations testified before the Committee on Appropriations and, I trust, before the Committee on Armed Services that a nuclear-powered carrier should have three escorts?

Mr. BURLISON of Missouri. The gentleman is correct.

Mr. HUGHES. The gentleman has stated here today that we now have a shortfall of escorts?

Mr. BURLISON of Missouri. We have a shortfall of three escorts at this time.

Mr. HUGHES. And we have nine nuclear cruisers at the present time?

Mr. BURLISON of Missouri. That is correct.

Mr. HUGHES. And I believe the gentleman said we have not built cruisers since 1974?

Mr. BURLISON of Missouri. We have not appropriated money for cruisers since 1974.

Mr. HUGHES. Mr. Chairman, can the gentleman tell me why the Navy has not made a request for additional cruisers to overcome this shortfall?

Mr. BURLISON of Missouri. The obvious reason is because of cost constraints. That is the reason. So it makes eminent sense that we should not now go down the road toward creating another shortfall of three nuclear-powered cruiser escorts.

It is obvious that the resources have not been available since 1974 to fund these nuclear carriers and escorts. It just

does not make sense now to fund an additional carrier when it is obvious that we are not going to fund the escorts, thereby making the nuclear carrier capability useless. Its added speed and other capabilities would be foreclosed by conventional escort limitations.

The CHAIRMAN. The time of the gentleman from Missouri (Mr. BURLISON) has again expired.

(On request of Mr. HUGHES, and by unanimous consent, Mr. BURLISON of Missouri was allowed to proceed for 2 additional minutes.)

Mr. HUGHES. Mr. Chairman, will the gentleman yield for one more question?

Mr. BURLISON of Missouri. I yield to the gentleman from New Jersey.

Mr. HUGHES. Mr. Chairman, as I understand it, under this appropriation bill we are appropriating some $2,129 million roughly for a CVN-71. As I understand it, this appropriation would be specifically for that particular nuclear carrier or that type of carrier; and that there would be no discretion to build, for instance, conventional type carriers under this appropriation?

Mr. BURLISON of Missouri. That may be somewhat unclear, but this seems to be the essence of the decision of the Chair in ruling on the point of order raised against my amendment.

Mr. HUGHES. Mr. Chairman, I thank the gentleman.

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

Mr. BURLISON of Missouri. I yield to the gentleman from Virginia.

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

The gentleman from Missouri (Mr. BURLISON) recalls, of course, that the individual cited with regard to the Chief of Naval Operations was Admiral Holloway. I believe he is the one to whom the gentleman was referring. The gentleman is familiar with the fact that Admiral Holloway is now retired.

Did the gentleman attend the conference last week that was attended by all our colleagues who cared to be present? I refer to the conference that Admiral Holloway and Admiral Moorer, former Chief of Naval Operations and former Chairman of Joint Chiefs of Staff, held last week.

Mr. BURLISON of Missouri. I did not.

Mr. ROBINSON. The gentleman would have been interested in seeing the difference of opinion that was expressed there by Admiral Holloway, who spoke in favor of the nuclear carrier. He was strongly in favor of its being built now, and he was not emphasizing the necessity of escort vessels because of the huge fuel capacity the CVN has so it can fuel its own escorts, and they do not have to be nuclear-fueled.

Mr. BURLISON of Missouri. Mr. Chairman, since the gentleman has mentioned the position of retired Chiefs of Naval Operations, I think it would be pertinent to bring to the attention of the House the recent position stated by another retiree from that office. Admiral Zumwalt. He very articulately stated the folly, in view of all of these shortfalls that we have been talking about, of now going into the construction of another nuclear carrier at the cost of an additional $1 billion.

The CHAIRMAN. The time of the gentleman from Missouri (Mr. BURLISON) has expired.

(On request of Mr. LLOYD of California and by unanimous consent, Mr. BURLISON of Missouri was allowed to proceed for 2 additional minutes.)

Mr. LLOYD of California. Mr. Chairman, will the gentleman yield?

Mr. BURLISON of Missouri. I yield to the gentleman from California.

Mr. LLOYD of California. I thank the gentleman for yielding.

Mr. Chairman, apparently the gentleman is under the impression that somehow carriers require escort vessels, nuclear or otherwise, to conduct their operations.

Is that true?

Mr. BURLISON of Missouri. That has been the testimony that we have heard before our Subcommittee on Defense Appropriations from the Chief of Naval Operations, the Secretary of Defense, and other eminent military and defense witnesses.

Mr. LLOYD of California. I had personally operated where carriers have operated strictly by themselves and, as a matter of fact, I can remember on several occasions where the escorts were sent 100 miles away because carriers have the capacity for providing their own escort facilities. They have helicopters to provide plane guard, they have antisubmarine aircraft, they have combat air patrol aircraft. That is the beauty of the carrier, that it is a total attack or defense entity. It is nice to work with service vessels, and if you have them, well and good. And it is even nicer if we can have a nuclear carrier working with nuclear escort ships. But in any case, the carrier is sufficient unto itself, and I can show the gentleman many eminent authorities who agree with me on that subject.

Mr. BURLISON of Missouri. Mr. Chairman, if I may reclaim my time, I would say that I doubt that very many naval authorities would suggest that we send an aircraft carrier out without escort in time of hostilities. These are new tactics that have not previously been brought to my attention.

Mr. LLOYD of California. If the gentleman will yield further, we sent ships all over the world in combat situations, particularly in the recent years. And with nuclear power, one of the best defenses that it has is high speed operation. With nuclear power a carrier can run at 33 knots steadily.

Mr. BOB WILSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this afternoon I want to pay tribute briefly again to the three giants on the Committee on Appropriations who are participating in the last major authorization bill this year. We are going to miss the gentleman from Georgia (Mr. FLYNT), the gentleman from Florida (Mr. SIKES), and certainly, the gentleman from Texas (Mr. MAHON), my neighbor and distinguished chairman of the Committee on Appropriations, who unfortunately supports, as I understand, the motion to strike the large nuclear carrier from this bill.

Mr. Chairman, I am saddened by the fact that Chairman MAHON has decided not to seek reelection. No Member of the House has served with more distinction or more devotion than he has. No Member has ever given more or had more to give than our distinguished chairman. All of us have been honored to serve with him in this House.

The chairman has been in this body for 44 years. He has been intimately associated with appropriations from the Department of Defense for 38 of those years. For years he has stood squarely for a strong, viable national defense. He understands and has greater knowledge of expenditures by the Department of Defense than any man or woman in this body. Thus, I find it difficult to oppose his position on this amendment.

Mr. Chairman, I cannot help but recall that about 2 years ago he stood in the well of the House and argued for rescision of the CVN-71. At that time, he argued for the construction of smaller carriers, and yet today, 2 years later, we have no small carriers under way or planned. It would take years, if we turned down this nuclear carrier, before we could get through the engineering and the planning and the funding to even get started on a nuclear carrier.

We do need one more carrier, the Navy tells us. If we need just one—and only one more—why not get started with the *Nimitz*-class carrier? As someone said, "Why not the best?"

The chairman has stood in the well and argued on numerous occasions that the major portion of the expenditures of the Defense Department are in peacekeeping areas. I agree with him. There is another side to fighting a war, and that is the keeping of peace.

The gentleman from Texas (Mr. MAHON) has argued eloquently that the Russians understand only power—power—and that is what we are talking about when we are talking about this big carrier: power. There is not a more powerful weapons system in the world today than the nuclear-powered aircraft carrier of the *Nimitz* class.

The Russians are superior to us in the number and even the types of nuclear-powered submarines they have. They are certainly superior to us in the missiles. The one point in the whole defense picture where we are ahead of the Russians substantially in the eyes of the world is in the nuclear-powered aircraft carriers.

So we are not talking about just keeping the sea lanes open in times of war. We are talking about the power of keeping the peace.

I submit to my colleagues there is no single object which so dramatizes to the people of the world the power and the might and the technological superiority and the capabilities of this country than does a large nuclear-powered aircraft carrier. When a large nuclear carrier makes port in any foreign country, it is an overwhelmingly dramatic demonstration of the power and the strength and the resolve of this

country. It demonstrates as no other thing can do our determination to keep peace throughout the world.

We are talking about a large nuclear carrier that would cost roughly $2 billion including 13 years of fuel at today's prices. The alternative, if there were to be one downstream, would be at a much greater cost than this figure for a smaller fossil-fueled carrier at an estimated present day cost of $1.5 billion, plus 13 years of oil fuel, and all the extra costs that may be quadruple what we know today.

We are also talking about in many respects the mission of the Navy. Should our Navy have among its missions the capability to project power ashore?

Of course it should. We do need this carrier if there is any doubt about our capacity to project power ashore and to deliver strikes against land installations.

The CHAIRMAN. The time of the gentleman from California (Mr. BOB WILSON) has expired.

(By unanimous consent, Mr. BOB WILSON was allowed to proceed for 2 additional minutes.)

Mr. BOB WILSON. We are talking about a carrier that will have a complement of over 90 aircraft, compared to an inferior aircraft carrier not even on the drawing board but still guesstimated to cost nearly as much, but carrying only two-thirds the number of aircraft.

What about the differences between nuclear power and oil power? When we talk about oil, we are talking about ships with an umbilical cord and all the implications that go with that.

The umbilical cord means more tankers, it means more supply ships, it means more manpower, it means more maintenance, and it means more of everything except speed. It means a much slower transit time for any long mission. We are talking about it in an era 10 to 30 years from now when the realities of the fossil fuel availability, international relations, and supply sources are at best unknown.

Why should we jeopardize the peacekeeping and warmaking ability of the Navy for an insignificant number of dollars—the difference between the known costs of a nuclear carrier and the dubious cost estimates of a substitute?

Mr. Chairman, we must have another carrier, and this is our chance to let the world know and to let our constituents know that we do not want our Navy to be second best.

I urge the Members to defeat this amendment.

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

Mr. BOB WILSON. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I want to congratulate the gentleman from California (Mr. BOB WILSON) upon the statement he has made. I also wish to associate myself with his remarks. I believe he has made a very thorough and comprehensive statement. I support the nuclear carrier. I hope that the House will follow the gentleman's leadership.

Mr. BOB WILSON. I thank the gentleman.

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

Mr. BOB WILSON. I yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, I appreciate my friend the gentleman from California (Mr. BOB WILSON) for yielding to me. I wish to join with others in this body in complimenting the gentleman on his statement and his leadership.

Mr. Chairman, the gentleman from California made an important reference to the giants on the Defense Committee of Appropriations, such as the gentleman from Texas (Mr. MAHON), our chairman; and the gentleman from Georgia (Mr. FLYNT), and the gentleman from Florida, (Mr. SIKES), and I want to concur in that statement with regard to their being giants, but I also want to add that the gentleman in the well is one of those giants as well, because he has made a great contribution not only to this debate today, but to the defense of this country and has been doing so for many, many years.

Again I want to congratulate him.

The CHAIRMAN. The time of the gentleman has again expired.

(On request of Mr. WHITEHURST, and by unanimous consent, Mr. BOB WILSON was allowed to proceed for 2 additional minutes.)

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

Mr. BOB WILSON. I would be happy to yield to the gentleman from Virginia (Mr. WHITEHURST).

Mr. WHITEHURST. Mr. Chairman, I also want to compliment the gentleman from California (Mr. BOB WILSON) on his excellent statement.

Mr. BOB WILSON. Mr. Chairman, I might say that I am not retiring.

Mr. WHITEHURST. I know that the gentleman is not retiring and we are grateful for that. We need some giants in this House, and we are glad that the gentleman is not retiring and we hope that the gentleman's constituents in his district recognize that fact also.

Mr. BOB WILSON. I hope so, too.

Mr. WHITEHURST. But, Mr. Chairman, I would ask the gentleman whether he has had the opportunity of hearing from Admiral Kidd who is the Commander of the Atlantic fleet? Has the gentleman had the opportunity to hear the admiral's views on this subject?

Mr. BOB WILSON. Yes, I have, and he says he is much in favor of the nuclear carrier.

In fact, every seagoing-air type person that I have talked to, that has had the opportunity to really express his own views, has said that there is no question about the cost effectiveness of the nuclear carrier.

Mr. WHITEHURST. Mr. Chairman, I might add further that Admiral Kidd testified before the special NATO Subcommittee on which the distinguished gentleman from Virginia (Mr. DAN DANIEL) is the chairman, a couple of months ago, and he talked about our carrier needs, and he said that the need exists for them right now in the event we have a confrontation with the Soviet Union.

I cannot imagine anyone in this House, if they had had the opportunity to listen to Admiral Kidd's testimony at that time, postponing the decision to build this ship right now, in view of the kind of naval threat this country faces if we have war.

Again I commend the gentleman in the well for what he has said. I strongly urge my colleagues in the House to get behind the building of this ship and not postpone it. That is absurd. To postpone it is absolutely absurd. I think we are treading on dangerous ground if we put this decision off. I hope every Member in this House will support this project.

The CHAIRMAN. The time of the gentleman from California (Mr. BOB WILSON) has again expired.

(On the request of Mr. MAHON, and by unanimous consent, Mr. BOB WILSON was allowed to proceed for 1 additional minute.)

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

Mr. BOB WILSON. I am happy to yield to the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Chairman, I cannot let this moment pass without saying that I appreciate deeply the kind words my colleague and my neighbor in the Rayburn House Office Building has spoken about GEORGE MAHON. It has been a pleasure to work with the gentleman from California (Mr. BOB WILSON) through the years. He is dedicated to the defense and the security of this country. I just want him to know publicly what he already knows privately, that I have great esteem for him. I think he has done a great job for the committee and for the Congress.

Mr. VANIK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I support the Yates amendment. It is going to save this country over $2 billion in expenditures.

Mr. Chairman, I want to direct the attention of the House to the other business going on in this Congress. There is hysteria in this Chamber for meat-ax tax cuts. We are confronted with many horrible options. One of those options is what risks we are going to have to take with our national security as well as our own economy because of the wave of tax cut pressure.

Let me point this out: This week the Committee on Ways and Means is going to bring up a bill which is going to cost the Treasury $16 billion; and by the time it leaves the other Chamber, it will probably cost $28 billion. We are going to have to borrow every single dollar of this money, and we do not have it. It is going to be tacked onto the deficit; it is going to be tacked onto the debt.

There is also a possibility later this week that the so-called Kemp-Roth proposal will come before the House. I am glad my distinguished colleague from New York, Mr. KEMP, is here. That proposal is to reduce Government receipts without reducing expenditures. It will reduce Government receipts by 30 percent over the next 3 years.

Of our total budget, when we subtract the nondiscretionary expenditures, we have left, with spending discretion of about 30 or 40 percent of the total $500

billion in our budget. That means that all of the cuts in spending that are going to result have to come from the discretionary sector: Health, education, welfare, and defense.

Mr. Chairman, I would like to see these important defense considerations put over until next week, so that we see what kind of condition this country is going to be in. We have to determine what we can afford.

I think we are in a serious situation; and if we have to limit our defense by what we are driven to do by tax programs, we may, indeed, be jeopardizing the security of this country.

Mr. Chairman, I think that the Roth-Kemp tax proposals are dangerous. I think they should be put aside for more careful study. I do not think we should proceed with reckless tax cuts which may drive us to reckless curtailments of the national security.

Mr. Chairman, that is exactly the plight which may result. The gentleman from New York (Mr. KEMP) will help bring us there if his proposal is successful in this Chamber.

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

Mr. VANIK. I am happy to yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, the gentleman mentioned my name.

Mr. VANIK. Yes, I did.

Mr. KEMP. He also mentioned a bill of which I am an author, to lower the tax rates.

The gentleman characterized the bill as an attempt to cut taxes by one-third, and I do not think we ought to be in this debate right now on this issue, but as long as the gentleman brought the matter up, the gentleman should know that I want to reduce tax rates to achieve greater economic growth, not to lose tax revenues.

Does not the gentleman see the difference between the marginal tax rates and tax revenues?

Mr. VANIK. I see 10-percent revenue loss each year adding up to 30 percent in 3 years, which is a little bit less than one-third.

Mr. KEMP. The point I am asking the gentleman to answer is this: Does he think that a marginal reduction in the tax rate——

POINT OF ORDER

Mr. BURLISON of Missouri. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. BURLISON of Missouri. I make the point of order, Mr. Chairman, that the debate is not germane to the issue before the House nor to the amendment before the House.

Mr. KEMP. Mr. Chairman, the gentleman should have raised that point earlier.

The CHAIRMAN. The Chair will state that the gentlemen are addressing matters concerning the defense of this country during the consideration of a defense appropriation bill.

Mr. VANIK. Taxes are necessary to pay for the defense of the country.

Mr. KEMP. Mr. Chairman, I appreciate the gentleman's point of order, but it should have been raised earlier.

The gentleman from Ohio (Mr. VANIK) is making an error insofar as my bill is concerned, in characterizing the Roth-Kemp bill as a meat-ax reduction of taxes. We are not trying to reduce taxes by one-third, we are trying to lower the tax rates over 3 years not to lose revenues, but to expand the economy and restore incentive to the workers, savers, and investors of America.

By suggesting that we should not have any tax rate act at all, the gentleman, by definition, then, is in favor of raising taxes.

Mr. Chairman, I would ask the gentleman a question: Does he think that it would be beneficial to the welfare of the U.S. economy and our people to raise taxes?

The CHAIRMAN. The time of the gentleman from Ohio (Mr. VANIK) has expired.

Mr. VANIK. Mr. Chairman, I ask unanimous consent to be permitted to proceed for 1 additional minute.

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

Mr. WYDLER. I reserve the right to object, Mr. Chairman.

Mr. VANIK. Mr. Chairman, I withdraw my request.

Mr. SIKES. Mr. Chairman. I move to strike the requisite number of words.

Mr. Chairman, there are a number of points which we should consider very carefully at this crucial point in the discussions on the bill. It is anticipated that there will be only one new carrier in the foreseeable future. It should be the best one available.

A year ago, the Congress was asked to drop a nuclear carrier which was moving forward toward construction at that time. We were told that, if that were done, the administration expected to budget two of the smaller, nonnuclear carriers this year. However, this year's budget does not contain two small carriers—not even one. We also were told a year ago that we would have 30 Navy combat ships in this year's program. We have 15.

Now we are told that there will be one smaller, nonnuclear carrier next year. I do not think anyone can say with certainty what the next budget will contain. A few days ago I read that the administration wants to make additional reductions in next year's defense spending program.

If we proceed with the large nuclear carrier at this time, it will be a copy of the *Nimitz* with an estimated cost of $1.9 billion. This is a proven design and there will be reasonable certainty of the total cost.

By contrast, there is no design for the smaller, nonnuclear carrier. We have an estimate of about $1.5 billion. It may cost considerably more. No one knows because we have not built a ship of this type. It could even cost more than the large carrier. It would have smaller deck surface than the *Midway*, the smallest carrier now in the combat fleet, and the *Midway* is the oldest of the carriers in active service.

Suffice it to say that for one-third more, we would get much more than twice as much carrier. The small carrier would have two screws, two elevators, two catapults. The big carrier has four of each. It would be much harder to cripple or disable the big carrier.

The big carrier has 13 years of fuel. She could carry enormous stores of aircraft fuel and other supplies. This would materially lessen the number of support and supply ships required for her operations. It would also be an important consideration in the event of another oil embargo.

All this considered—construction, operations, and so forth—the big carrier would, in time, be the cheaper of the two and much, much more effective.

Much has been said about the vulnerability of the carrier. It should be very obvious that land bases are infinitely more vulnerable than a moving base. Land bases can be permanently targeted. A floating target can be moved constantly. We learned in World War II that carriers are very difficult to cripple. Even the Japanese kamikaze pilots on suicide missions were unable to knock out our carriers. There is no more effective guided missile than a piloted aircraft on a suicide run. The carrier is not a sitting duck.

If we are going to build a carrier we should build the best. Obviously we should build another carrier. We have reduced the number of operating carriers to the minimum. Too many of those now in service are aging fast. The new carrier will be an important adjunct to the defense of America. It is a survivable, practical weapon.

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

Mr. SIKES. I yield to the gentleman from Virginia.

Mr. WHITEHURST. I thank the gentleman for yielding.

The gentleman is aware of the Senate position last year; is he not? The gentleman knows that last year the Senate did not want a nuclear carrier pending a study. A study has been made, and what is the position of the Senate this year on the nuclear carrier? It is absolute approval of it. They have seen the light.

I commend the gentleman for his comments.

Mr. SIKES. I thank the gentleman for his comments.

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

Mr. Chairman, this aircraft carrier issue is one of the toughest I have had to deal with since I have been in Congress.

I recognize how difficult it is for the Members to choose what they consider to be the proper course.

During the authorization bill debate, the case for the carrier was very carefully documented. The evidence was overwhelmingly in support of another aircraft carrier. There was no question about the need for another large carrier as a replacement for one approaching retirement.

The decision left to the House was simply which carrier to choose. The cost analysis put before you clearly demonstrated that the nuclear carrier was the most cost effective, if one more large deck carrier is to be built. The Congressional Budget Office reached the same conclusion.

The vote in the House against an amendment to strike the carrier altogether was overwhelmingly against such action; 293 to 106.

The vote to substitute a CVV for a CVN was again overwhelmingly against such action; 264 to 139.

To my knowledge, no substantial event or circumstance has occurred in the short space of about a month, that should cause the Congress to reverse itself.

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

Mr. Chairman, I rise in opposition to the pending amendment to strike from this bill the funds for the construction of the nuclear carrier, CVN–71. This is the second debate on this issue this year and as we recall, after hours of debate the amendment not to authorize the carrier failed by a recorded vote of 106 to 293. The conference report on defense authorization which authorized the CVN–71 was accepted by the House of Representatives last Friday.

Now today, we again debate the question: "Why fund a nuclear carrier (CVN–71) in fiscal year 1979?" Before I address this matter, let me say that the only carrier the Navy can contract for in fiscal year 1979 is the CVN–71. If we are going to have a new carrier come into service in 1988, we must fund it today. This has already been discussed here today, and I will not elaborate further on this fact.

Our Nation has 12 carriers in commission today. They give our President the option to deploy these ships to meet any contingency or emergency facing our Nation. To guarantee we have these 12 carriers, 13 are necessary to be in the inventory, as one is undergoing a 2- to 3-year modernization at all times.

Authorization of a new, big-deck carrier at this time is mandatory for when it comes into the inventory in 1988, the ship it replaces, the *Midway*, will have been in commission for over 40 years.

In our naval history, 25 years was the design and assumed life of a major carrier. The exigencies of the cold war and the security requirements of the United States coupled with an austere naval shipbuilding budget, demanded an extension of the service life of some carriers to 30 years. Now we are seeing for the first time in naval history, the urgency of a ship continuing in service 15 or more additional years to meet our national security commitments.

The age gap that exists in our carrier force is the result of the necessity to spend our money for the Vietnam war, rather than modernizing the U.S. Navy during that period. We must now pay for the neglect to our Navy. The Joint Chiefs of Staff in January of last year recommended we have 25 large carriers as a "minimum carrier force" and 16 carriers as a "prudent force level." We do not meet this requirement as we have only 12 large-deck carriers in service.

The Navy as well as the past and present administrations, being forced with the alternative of either further reducing our carrier force level or keeping our ships steaming beyond 30 years, accepted a compromise which would allow those ships with sound hulls to undergo renovation and modernization from the "service life extension program" (SLEP). The SLEP program will take a carrier at the end of its normal useful life of 25 years, put it out of commission for up to 3 years, while completely modernizing the ship and its systems to accomodate our modern or future existing technology. This program should extend her life for up to an additional 15 years.

Unfortunately, the Navy's oldest carrier, the *Midway*, had her keel laid in 1942 during World War II. Because of the demands on the steel industry at that time, the highest quality steel was not available for construction. The *Midway* is built of poor quality steel and may not withstand major renovation and modernization. The *Midway* was modernized over 10 years ago and the story of that modernization reflects the pressure exerted on the Department of Defense that results in throwing good dollars after bad.

In the hearings before the Defense Subcommittee of the Committee on Appropriations, U.S. House of Representatives in 1977, in answer to a question regarding proposed savings by the Department of Defense and the administration, Adm. Thomas H. Moorer gave a clear example of how these proposed savings result in increased cost and waste:

> When I was Commander-in-Chief of the Pacific Fleet, I wrote a letter to the CNO, strongly objecting to the modernization of the *Midway*. I served on that ship and knew it. It was 30 years old and had very old machinery and modernization didn't make any sense. I told Admiral McDonald he should put the estimated $85 million into a new ship rather than spend his money on the *Midway*. His answer was, "I don't have that option. I get either overhaul of the *Midway* or nothing."
>
> My option is not between modernizing the *Midway* and a new ship. We ended up putting over $200 million into *Midway* with an additional 1 year's delay in returning to sea.

Mr. Chairman, the amendment to eliminate the construction of a new carrier would force the Navy to continue using a carrier over 40 years old, when this new carrier (CVN–71) would otherwise be delivered to the fleet.

The men and women of the U.S. Navy deserve the best carrier the Congress can provide. We should not let them down. It is the duty of Congress as mandated by our Constitution "to provide and maintain a Navy." We should not be a party in failing to meet this reponsibility.

Mr. LLOYD of California. Mr. Chairman, will the gentleman yield?

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

● Mr. LLOYD of California. Mr. Chairman, not far from here in Carderock, Md., is the Naval Ship Research and Development Center. It is probably best known as the David Taylor Model Basin. Among other things, the quality of ships is tested there. As part of the most recent naval sea-based air platform assessment study, the analysts at Carderock concluded that the improved Nimitz class carrier was the most survivable carrier of any in the Navy's inventory, or on the drawing boards.

The 140-page classified "Vulnerability Analysis" examined 17 platforms: the DHH, a destroyer platform; the VSS (plus one projected option); the CVV, CVN–68 (plus five projected options) and V/STOL variants of all CVV and CVN–68 options.

It should be brought out that improvements in carrier design since World War II have utilized empirical results and computer modeling methods to evaluate the carrier's ability to withstand the destructive force of modern weapons. The Nimitz class ships are the best protected and least vulnerable carriers ever designed. The added protection is provided by extensive use of armor against bombs and guided missiles, as well as by improved antitorpedo protection designs. The unlimited endurance capability at high speed provided by nuclear propulsion, and the freedom from having to slow down to refuel further reduces this carrier's vulnerability.

I recently read an article from a British periodical concerning carrier vulnerability, entitled, "Defense of the Attack Carrier."

The author makes reference to the loss of 25 fleet aircraft carriers during the Second World War. He states, "It is worth noting that the 25 vessels sunk were all of prewar construction or design." I would like to emphasize, "prewar construction or design." None of the aircraft carriers designed in the light of wartime experience was sunk despite suffering very severe blows.

Even more interesting in this obervation. He goes on:

> From a certain point of view, it is really amazing that criticism of the large attack carrier comes mainly from the United States; the very country which conducted and won the war in the Pacific with this very instrument, which has since developed it to an extremely high level of efficiency, and which has always found in it the ideal means of protecting its strategic interests on a global scale.
>
> All of these criticisms, in fact, appear to completely overlook a fundamental axiom of which the European navies are only too painfully aware. The exercise of naval power is, today as in the past, very closely tied to the availability of carrier-borne air power of the very highest quality. Through-deck cruisers, missile ships and modern frigates, are all beautiful ships capable of brilliantly carrying out their allotted missions; but if there is a large carrier around, with hostile intentions, then the best thing they can do is up sticks and get out of the area at full speed. In fact, the operational doctrine for all of these ships in the Western navies—not only the U.S. Navy—is based on the overriding premise of almost unopposed sea control; which control would be assured by the large attack carriers.
>
> This certainly does not mean that the Western navies never expect to come up against really serious opposition: the point is that as long as CVA are available there is the almost mathematical certainty that when necessary, supremacy in a certain area can be won, and retained, no matter what the enemy reaction may be.

I am certain that what I have just read would cause stomach ulcers in the system's analysts in the Pentagon. Nevertheless, there is more truth and validity in that article than all the rhetoric about small ships flying V/STOL airplanes dispersed all over the oceans.

I advocate a balanced naval force; I do not believe the Navy ought to build only large aircraft carriers and nothing else. But I will say this: You can have all manner of frigates and small boats running around the oceans, but they are not going to help very much against an attack from the air. In my opinion, the only credible way you can survive a hostile air environment is to mass your airpower against whatever the enemy throws at you. Otherwise, he is going to pick you off, one by one, in a rollback manner.

The modern carrier gives the Navy that capability. Do not be lulled into selling it short just because it is relatively expensive to build. I hope you understand what I am saying, that for the foreseeable future, without the large carriers, the loss in U.S. capability at sea may be even more expensive to this country than any of us would care to contemplate. The Navy needs the *Nimitz*. It will fill the gap in aircraft capability at sea, which will occur in the mid-1980's. I honestly believe the future generations will indeed judge this Congress—to quote another British maxim—to have been penny-wise and pound-foolish—if we fail to build CVN–71.●

Mr. STRATTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I also rise in opposition to the Yates amendment.

We have had an extensive amount of debate. I am not sure that I can add anything to the very sound and substantial arguments that have already been given against the Yates amendment, but I would like to try to emphasize just two points.

First of all, it has already been said, but I think it deserves reemphasis, that the question before us today is not whether we are for the small carrier or for the big carrier. That is something that we have argued before. But the only carrier that is available to us this year from the authorization process is the large carrier; so it is either a question of whether we have that large carrier that has been authorized or whether we have no carrier at all.

If the Yates amendment is agreed to, it means that we will not have any carrier in the fiscal year 1979, and it may well be that we will not have one in the years to follow either, because we have only one carrier, as has been frequently pointed out, that is going to be built between now and the year 2000, and we are making a decision here on whether that is going to be the best possible carrier or not.

The fact of that matter is that if we turn down this carrier, then we are going to be turning down the one weapons system that establishes a clear priority for the U.S. Navy over the Soviet Navy. Nothing else in our fleet's picture has the bright side that American aircraft carriers have. This is the one thing that still gives us an edge, in spite of the building extremes of the Soviet Navy.

During the Yom Kippur war, for example, the Soviets were able to put into the Eastern Mediterranean almost twice as many ships as we were able to get in there, but the reason we still maintained our edge was that we had the carriers of the 6th Fleet. Those who are concerned about whether our power is available in various parts of the world ought to want to provide a carrier that can not only operate in the Mediterranean but can get into the Med rapidly if it has to.

If we vote for the Yates amendment, I am also concerned because that would reverse a trend that has been developing in both Houses of the Congress this year, that perhaps it is time we ought to stop cutting back on our military forces and begin to respond a little bit more effectively to the fantastic defense increases that the Soviets have been undertaking.

I hope we do not take that backward step, because that will create an image problem, not only for the White House—and they have been concerned lately about their image—but for the House as well. I think we want to keep our image here in the Congress positive and make it clear we do not intend to take second place to the Soviet Union.

The other thing I think is important for us to remember in this debate is that if we are going to go for the small carriers—and if we accept the Yates amendment the only place we can go is for a small carrier—then we probably are not going to get a small carrier even before the year 2000.

The other day we had an informal meeting over in the Rayburn Building with a couple of retired Chiefs of Naval Operations. It is really amazing, by the way, how retirement enables a man to be able to focus his concentration on particular points.

Admiral Holloway made very clear at that meeting that all of this talk about a V/STOL carrier is so much hogwash because they are not going to have a V/STOL aircraft that could do any good for the U.S. Navy before the year 1999.

I do not recall, and I do not know whether my friend, the gentleman from Florida (Mr. BENNETT), recalls Admiral Holloway ever making that point quite so clearly in his testimony before our committee, because then he was under wraps.

The CHAIRMAN. The time of the gentleman from New York (Mr. STRATTON) has expired.

(By unanimous consent, Mr. STRATTON was allowed proceed for 2 additional minutes.)

Mr. STRATTON. Mr. Chairman, the other point that Admiral Holloway made—and again I think this is important in the consideration of this debate—he said, "You know, you do not build the carriers first and then decide what planes you are going to put on them," which is what those who want a V/STOL carrier are doing. He said, "You build the carriers to take care of the planes that you already have." And the planes that we already have are the F–14's. We fought hard for them in the authorization bill, and we got them included, the Navy's first-line plane. We got the F–14 and also the F–18's. And the only carrier that can utilize those planes to their full potential, including all the hangar space, and all the fuel space, is the *Nimitz*-type carrier. If we want to use the planes that we have already spent billions of dollars to buy, then we must build another nuclear carrier. It is the only one that can do the job.

Mr. TRIBLE. Mr. Chairman, will the gentleman yield on that point?

Mr. STRATTON. I yield to the gentleman from Virginia.

Mr. TRIBLE. I thank the gentleman for yielding and I join the gentleman in his opposition to this amendment.

Mr. Chairman, I would like to add that it had been argued there would be no hurt to national defense if this carrier was delayed. That is not the case. It is important that the additional nuclear carrier be procured.

It is important to consider that Newport News can begin to build this nuclear carrier without interruption. Newport News has the training, the manpower, and the experience.

Mr. STRATTON. We certainly are interested in getting it built, I will say to the gentleman.

Mr. ADDABBO. Mr. Chairman, I move to strike the requisite number of words.

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

Mr. ADDABBO. I yield to the gentleman from Texas.

Mr. MAHON. I thank the gentleman for yielding.

Mr. Chairman, time is slipping by. We had hoped to conclude this bill by 8 o'clock. I am hoping that Members will not ask for additional time. I shall not object, but several members of the subcommittee and others have not had an opportunity to address this issue. So I trust that we can move along and dispose of this amendment and more of the bill tonight, and, if possible, conclusion.

Mr. ADDABBO. Mr. Chairman, the long and heavy shadow of this nuclear-powered aircraft carrier is distorting this bill beyond all recognition. It was not included in the President's budget. The administration does not want it. We do not need it. We already have enough carriers. Furthermore, as history proves, we do not know how much this ship could eventually cost us or when it would be delivered.

Over the years the Chiefs of Naval Operations have testified before Congress that the U.S. Navy is superior to the U.S.S.R. Navy.

A table submitted for the record during our hearings this year shows that patrol combatants, and amphibious warships over 3,000 tons (including aircraft carriers, cruisers, destroyers, frigates, attack and ballistic missile submarines, patrol combatants, and amphibious warfare ships) the U.S.S.R. has a total of 317 such ships while the United States has a total of 368 such ships.

At a press conference on the afternoon of August 2, 1978, Admiral Holloway, former Chief of Naval Operations, pointed out that the U.S. Navy was the only service than can state it is superior to the Soviets. The Army and Air Force cannot make that claim.

Our current fleet of 13 aircraft carriers includes 4 that are nuclear-powered. One of these, the CVN–70, is still under construction at the Newport News Shipbuilding & Dry Dock Co., the only facility capable of building such a ship. Let us take a look at the history of these carriers.

The *Nimitz*, CVN–68, was originally estimated to cost $427.5 million. The current estimate is $667.1 million, an increase of 56 percent. The *Eisenhower*, CVN–69, had an original cost estimate of $510 million. The current estimate is $726.5 million, an increase of 42 percent.

These two ships are involved in nearly $250 million worth of unsettled claims against the Navy. The *Vinson*, CVN–70, which is currently under construction, was originally estimated to cost $951 million. Now the estimate is $1,298.2 million, an increase of 37 percent. But that figure should not be taken as final. The Navy and the shipyard have not yet succeeded in definitizing the contract for CVN–70 and, until they do, we will now know for sure what it will cost.

If, based on this record, we conservatively project a 25-percent increase for the proposed $2.4 billion CVN–71, we are looking at a possible cost of $3 billion. This would not include the associated expenditures—escorts and so forth—that would be needed to deploy yet another nuclear-powered carrier battle group.

Let us now look at the delivery history of these three carriers.

The *Nimitz* was delivered 34 months late, nearly 3 years after the contract delivery date. The contract delivery date for the *Eisenhower* was contingent upon delivery of the *Nimitz*. Depending on how you call the figures, the *Eisenhower* was delivered 42 months late, based on the *Nimitz* contract delivery date, or 8 months late if one ignores the slippage of the *Nimitz*.

The *Vinson* has not yet been delivered and, as I mentioned before, the contract has not yet been definitized. Until it is, we would not know exactly when to expect delivery. In the meantime, the available projection is that *Vinson* will slip 18 months beyond the original estimate.

With a history of slippages such as this, who knows when another nuclear carrier, if funded, would see the light of day.

As I have discussed in my separate views, the Navy is having problems with Newport News. I repeat, this is the only shipyard capable of building these nuclear-powered carriers. The company has over $700 million worth of claims against the Navy, including the nearly $250 million involving CVN–68 and CVN–69. The contract for the CVN–70 has not been finalized. The company wants a number of protective contract clauses that the Navy is not willing to accept. The company undoubtedly would barter for these same clauses in any contract for a CVN–71. It defies reason to consider throwing CVN–71 into such an arena at this time.

There are only two really positive predictions that can be made if we insist on building this extra carrier.

If we do spend the billions needed to deploy a fifth nuclear-powered aircraft carrier battle group we will, eventually end up with a smaller Navy and a less flexible Navy. Numbers of ships are important in combat. If we continue to construct ever more expensive ships, we will have to make do with fewer of them. Our resources are not infinite.

Second, by the time this ship could be deployed it would be a sitting duck in the ocean, a prime target for the increasingly accurate and deadly Soviet missiles. Even in World War II, before such antiship weaponry was available, our carrier casualties were heavy. We lost five of our large carriers in that war and six of the smaller CVE's. Other countries, friend and foe, lost more. Additional numbers of carriers were put out of action for extended periods of time.

As I have said before, it is my belief that the age of large-deck carriers is over. To build another one could only impact adversely on the future size and survivability of our entire naval fleet.

Last, let me emphasize once again that this decision does not have to be made now. No funds need be appropriated now. Construction of a CVN–71, even if we wanted it, could not get started for perhaps another year. If we do appropriate this money, it will not be expended this year. It would probably be added to the infamous unexpended balances of the Department of Defense—just another $2 billion thrown to the wind.

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

Mr. Chairman, I have listened very carefully to my distinguished friend, the gentleman from New York (Mr. ADDABBO), in his presentation, and what I must glean from his comments is that if we want to do away with that one area where this country has superiority over the Russians, then vote for the amendment offered by the gentleman from Illinois, Mr. SID YATES.

I submit to the Members that if we do not want to give up that superiority, then we will vote against this amendment.

The gentleman was quoting Admiral Holloway, and Admiral Holloway has very clearly made the point that this is the only area where we clearly have superiority over the Russian forces.

Mr. Chairman, I have a chart here which I am going to spend only a moment on, because the sole issue before the House at this time is whether or not we appropriate now for the one carrier which is authorized, and that is the nuclear carrier. But I refer to this chart only to say to those Members of the House who may be concerned, who may want to wait to vote some other time on a smaller carrier, if it should ever occur, but I see nothing in the making that would bring about that occurrence.

Members will notice from this chart that the area on the far left shows those forces which would be absolutely eliminated if we chose the small carrier over the big one. That is the area over on my right and to the left of the Members, which shows that out of the 95 aircraft the big carrier carries, we knock out 31 of those if we give up the larger and take the smaller carrier. That is the difference between this being a defensive device and an offensive one. It takes the same number of ships and the same number of aircraft to protect the smaller carrier as it does the big one, or vice versa, and, therefore, we give up this offensive capability between the smaller and the larger carrier.

That is all I wanted to say about that, because we made that decision. I think it was a good decision. The only carrier authorized is the nuclear carrier and the sole issue before us is whether or not we are going to fund the nuclear carrier at this time.

I would like to talk just for a moment about force levels, because I think it is extremely important. Our Joint Chiefs of Staff have repeatedly told us we ought not to go below 13 carriers. The Joint Chiefs of Staff have stated the recommended base for a minimum risk force is 25 carriers, that the prudent risk force is 16 carriers, and that the 13-carrier level meets the needs for a fiscally constrained program below which we dare not go.

Let us talk about the 13-carrier force level for a moment. All of the experts agree that in order to keep 12 deployable carriers, it takes 13 to do it. The reason is that we always have 1 going through the surface ship life extension program which is mandated by law, and then we have, therefore, only 12 deployable vessels left. Out of those 12 deployables, unquestionably from time to time we are going to have 1 or 2 of them going through certain updating and certain changes and maintenance and overhaul. So we are talking about a deployable force of 12, which diminishes depending upon what problems of upgrading we have. We are seldom ever going to have an active force level of even up to 12.

But be reminded again, that is the minimum level beyond which all our experts tell us we ought not to go. The administration and all our experts agree, the National Security Council agrees that 13 is the magic number—if there is any such thing as a magic number, and we ought not go below that.

I would like to talk for a moment about vulnerability, if I might, Mr. Chairman, because some undoubtedly will mention the vulnerability of the carrier. I remind the Members that we have never lost a modern-day carrier to combat action. Not one.

The CHAIRMAN. The time of the gentleman from Florida (Mr. CHAPPELL) has expired.

(By unanimous consent, Mr. CHAPPELL was allowed to proceed for 3 additional minutes.)

Mr. CHAPPELL. Mr. Chairman, as a matter of fact when the U.S.S. *Enterprise* had a bomb accident, wherein 6 tons of HE bombs exploded on its flight deck, which is roughly equivalent to a direct hit by three Soviet SSN–3 missiles, it could have been back in operation in a matter of several hours had that need occurred.

We are talking about a carrier that has some 3 inches of steel on the deck to protect it.

We are talking about a carrier that carries some 24 F–14 aircraft that each have the capacity to engage and shoot down 6 incoming aircraft at distances up to 300 miles.

We are talking about an attack aircraft and the reconnaissance aircraft, the overhead aircraft that can pinpoint for the commander of such a force all of its threat for 1,000 miles around.

So we are not talking about a sitting duck.

The truth of the matter is, if you read the article in the Wall Street Journal of May 3, 1978, you found there an article which said this:

An interesting finding of the Sea Plan 2000 study is that U.S. surface combatants in general and carrier battle groups in particular will become less vulnerable over the next decade and beyond. That is because the expected progress of the Soviet cruise missile, attack bomber and submarine threat will be more than matched by three U.S. developments. The first is the now-deployed F-14/Phoenix fleet air defense system, to be supplemented in the '80s by the A-18. The second is the introduction to the fleet of the Aegis air defense system for close-in defense against missiles that penetrate the fighter barrier. Third, there have been a number of important advances in antisubmarine warfare.

Now, a lot will be said about the vulnerability or the lack of vulnerability of the aircraft carrier, but if you think about one thing, it has been the aircraft carrier itself that has taken away the responsibility and the necessity for the battleship.

Every day it is lessening the requirements of cruisers and destroyer escorts.

Every day with our improved submarines we are lessening the need for escort ships, which brings me to the deployment question which has been asked here: What about if we fund this ship, will that not take away from the other ships needed in the defense program? The answer, to my mind, is indeed not.

We have some 26 cruisers, 9 of which are nuclear cruisers. We have four carriers at the present time.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. YATES, and by unanimous consent, Mr. CHAPPELL was allowed to proceed for 3 additional minutes.)

Mr. YATES. If the gentleman would yield, I would like to ask the gentleman a question.

Mr. CHAPPELL. I will yield to the gentleman but first let me finish this point, if I may.

The task force or the battle group, the carrier group, is made up basically of one carrier, two cruisers, we are talking about the nukes, and the two to five submarines, attack submarines.

That means you could assign all four, when the fourth one comes out, already an average of a little bit better than two nuclear cruisers to each of the nuclear submarines. You have enough submarines, roughly, to take care of the problem. We might build more down the road when you put the fifth on line, and, two for each carrier, that means you will only be short one.

The more we can get into this program, the better we will be and the less need we will have for the cruisers.

So it is not going to hurt that program at all.

One last point—the question of whether we can build now? I have in my file here a letter from the Newport News Shipbuilding Co., and this is backed up by the Navy, which, as a matter of fact, shows that not only do they have the capacity now to build the ship, they are soliciting the business of building this ship and if they do not get it they will lose some 5,000 employees. The spaces are already set aside for that purpose.

The spaces are already set aside for that purpose. There is no question about it. If any Member has a question, I have pictures to show those areas which are specifically set aside for this purpose.

Mr. Chairman, on balance, it appears to me that we ought not to give up this superiority, that we ought to maintain it. With anything less than this force level we will lose our superiority. The carrier is not vulnerable. We can build it providing we have the money appropriated for it.

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

Mr. CHAPPELL. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, may I suggest to the gentleman with respect to his point on the vulnerability of the carrier that during World War II, the United States lost five attack carriers and six escorted aircraft carriers. Since that date carriers have not been attacked by any nation because they have been used in situations where no credible submarine or air threat could be mounted in opposition. Moreover, Navy studies do show that in a possible war with the Soviet Union, the Navy believes that carriers may be lost.

May I ask the gentleman to comment on the testimony of Mr. Robert A. Moore, Deputy Under Secretary of Defense for Research and Engineering (tactical warfare programs), in which he testified as follows:

The carrier role in supporting NATO forces in event of war with the Soviet Union would be restricted by geography and the large resources needed for carrier defense against high-intensity threats.

What I am saying is, if you put a carrier task force in the North Atlantic by the Norwegian Sea, it is going to be very difficult to defend. Carriers would be useful both for some sea control roles and in peripheral and remote areas in such a conflict.

The CHAIRMAN. The time of the gentleman from Florida (Mr. CHAPPELL) has expired.

(On request of Mr. YATES and by unanimous consent, Mr. CHAPPELL was allowed to proceed for 2 additional minutes.)

Mr. CHAPPELL. Mr. Chairman, the point is that if this building were put directly under a nuclear bomb and the nuclear bomb were dropped on it, it would explode; this building would blow up.

That is exactly what is going to happen to the carrier, to an airfield, or to anything else that is placed in a position where it has no defense. We are not going to run that carrier into areas beyond which there is no control over its environment.

I am glad the gentleman brought the question up because of all people who ought to be supporting an aircraft carrier, people interested in the Middle East situation ought to know the value of carriers in that area, if I may point that out to the gentleman.

Mr. YATES. But the gentleman has not answered my question with respect to the vulnerability of the carrier and with respect to the testimony of Mr. Moore.

Mr. CHAPPELL. The point is that if we put a single carrier in the Norwegian Sea, the chances are that it is going to be extremely vulnerable. If we put a three-carrier task force there, then the vulnerability would be severely decreased.

Anybody knows that if an overwhelming force is put against an inferior force, the consequences balance in favor of the superior force.

However, the point is that we are not going to put these carriers into that kind of situation which we cannot control. You fight your way in with a carrier. You take what is there and you project the power ashore. That is the beauty of this thing.

We had 130 airports to which we had access in this country a short time ago. Those have now diminished to less than 30. In the Korean conflict we lost every airport we had within the first 5 days. We never recovered them. We lost every one in Vietnam and have not recovered them. We lost more than 400 aircraft there on the ground.

The point is that with the carrier we have the ability to move in and out, to move in toward that which is to be accomplished or to move away from the threat.

Mr. YATES. If the gentleman will yield further, is there any doubt in the gentleman's mind that the carriers, in the event of a confrontation with the Soviet Union, would be targeted by satellites and by other devices?

Mr. CHAPPELL. I am sure that everything we have will be targeted, but the carrier can defend itself.

Mr. ROBINSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I, of course, rise in opposition to the Yates amendment.

In response to the gentleman from Illinois (Mr. YATES), because he was just on his feet, I would say that there is substantial disagreement with the testimony that Mr. Moore has given.

Just last week we had here in Washington the most recently retired fleet commander of the Atlantic Fleet, Admiral Shannahan. He did disagree completely with the testimony the gentleman just cited with regard to the carrier's vulnerability and its inability to protect itself in keeping open the sealanes of the North Atlantic, where we would be in the most critical position

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

Mr. ROBINSON. I yield to the gentleman from Illinois.

Mr. YATES. I thank the gentleman for yielding.

Would the Admiral disagree with the statement by Mr. Moore respecting the dispatch of carriers into the restricted areas of the Norwegian Sea?

Mr. ROBINSON. Indeed, he would.

Mr. YATES. Oh, my.

Mr. ROBINSON. And he would disagree because of the ability of the carrier to protect itself with its undersea arm, the attack submarines, as much as anything else.

Mr. Chairman, I ask the Members this, whenever a crisis develops anyplace in the world which holds the possibility of

military action involving our forces, what is the first question we are asked: Where are our nearest aircraft carriers? And why, after claiming for many years that our carrier force had no major relevance to its own defense planning, has the Soviet Union embarked on a carrier program, one on call right now, a second in shakedown status, and a third that is now under construction? Our defense planners at the highest tier are on record to the effect that we need another carrier. We need another carrier according to any and all the authorities. The question is, when are we going to buy it? Who can debate the fact that the longer we wait to buy the carrier the more expensive it is going to be? And who can disregard the presentations that we have heard here today, that if we are going to build a carrier we ought to build the best. There is only one best, and that is a nuclear carrier.

The statement has been made with regard to our land bases being sharply reduced in numbers and the fact that we are down to about 30 as compared to over 100 just a few years ago. How do we project the image of the United States to give aid and assistance and support to our friends but through carriers?

The statement is made that it is impossible to start the CVN-71 this fall, that the yard is filled with the CVN-70. The letter from the Newport News Shipbuilding Drydock Co. is very emphatic on that point. It takes 30 months of fabrication putting together various units of a carrier before it even goes to keel laying. By then the ways will be clear.

Speaking of keel laying, the gentleman from Illinois again mentions the fact that we lost five carriers during World War II, and, indeed, we did. They were makeshift carriers, thrown together on hulls that were never intended to support aircraft. We have never, may I say to the gentleman, lost an aircraft carrier that was built from the keel up as a carrier—never, not one.

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

Mr. ROBINSON. I yield to the gentleman from Illinois.

Mr. YATES. I thank the gentleman for yielding.

The information that has been given me by staff indicates that the *Wasp*, the *Yorktown*, and the *Hornet* were built as large CV carriers and not converted, as were the *Lexington* and the *Princeton* from other hulls.

Mr. ROBINSON. Admiral Moorer—is my authority. He says not one carrier that has ever been built from the keel up as a big deck carrier has been lost to combat action.

Mr. LLOYD of California. Mr. Chairman, will the gentleman yield?

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

Mr. LLOYD of California. I thank the gentleman for yielding.

I would remind my good friend and colleague, the gentleman from Illinois (Mr. YATES) that even those carriers that he was talking about, even the ones built from the keel up, were pre-World War II. In shipbuilding technology that was not remotely the same as it was on the *Essex*-class carrier wherein we lost none of those in World War II, and those sustained the brunt of the battle.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. ROBINSON was allowed to proceed for 2 additional minutes.)

Mr. ROBINSON. I would like to conclude with two final comments. Will removal of the carrier hurt our national defense? Why can we not just defer it? I will tell the Members why we cannot just defer it. If we knock out this $2 billion in this budget, we are cutting the defense budget $2 billion. What is going to replace the carrier if we take it out of there? We do not have anything else. The committee was very responsible in cutting $2 billion making room for this carrier in order to stay within reasonable bounds. Let us not be irresponsible.

I say in conclusion we have heard today again reference to the carrier as a sitting duck. I ask you, does the big nuclear carrier anyplace in this world of ours have the image of a sitting duck? The carrier is the finest image of this country—around the world.

If there is an international image of the eagle of freedom, it is our big carriers of today. We need another one, and we need it now. To call it a sitting duck is improper and unfair to a vessel which has proven itself time and time again as the best deterrent to war that we can possibly fund.

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

Mr. ROBINSON. I yield to the gentleman from Florida.

Mr. CHAPPELL. Mr. Chairman, much has been said about the five carriers this country lost. Would the gentleman verify that those were the *Lexington*, the *Wasp*, the *Yorktown*, the *Hornet*, and the *Princeton;* one built in 1925, one built in 1939, one built in 1936, one built in 1940 and one built in 1942, and that those were the ones that were put on cruiser hulls, some of them with wooden decks; those were the ones not built primarily as aircraft carriers, and not one have we ever lost of the modern-day carriers, these ships which were built to be carriers in the first place.

Mr. ROBINSON. That is certainly correct.

Mr. GIAIMO. Mr. Chairman, I move to strike the requisite number of words. I rise in favor of the amendment. I rise in opposition to the carriers.

Mr. Chairman, I want to commend the committee and the subcommittee on what I think was an excellent job in bringing out a Defense bill where they made very substantial cuts in many, many items. I say that seriously. While a Member of the Defense Subcommittee, my duties as chairman of the Committee on the Budget kept me from most of the hearings and many of the markup sessions on the Defense bill; but I do want to commend all the members of the Defense Subcommittee, both on the majority side and on the minority side, for what was an excellent effort to hold the line on unnecessary expenditures and unjustifiable expenditures in the defense bill.

On this question of whether or not we should have another carrier, I must agree with the gentleman from Illinois and the gentleman from New York and others who moved to strike this money. I do this for several reasons.

First of all, I want to see America with the strongest possible defense posture that it can have. I think there is a very real threat to the security of the United States. I think that threat could come from the other super power. I think it is essential that we do everything possible to make this country strong. Having said that, I submit we do not make this country strong when we put our money in the wrong places and when we put it in weapons of war which may be somewhat more obsolete than they were 30 years ago.

Those of us who are old enough to remember history or to read history, and recall the Billy Mitchell controversy and trial. I was too young to remember it, but those of us who read that history will recall the great controversy after World War I over the value of battleships and super dreadnoughts. It was not until the end of World War II that we finally conceded, that the day of the battleship was over.

I submit that the same may hold true for the carrier, and certainly for the super carrier in a controversy with the Soviet Union. I think there is a very real need for carriers in the arsenal of the United States in order for us to project power as we must throughout the world in the Atlantic and in the Pacific and in the Indian Ocean and in some other areas of the world. For that reason, I support a carrier force of 13 carriers, or 12 carriers. I think that they enable us to do what we must in conventional situations throughout the world; but to use the argument that the carrier is going to be a deterrent to the type of war that we would have with the Soviet Union, or that the carrier would be a great assistance to us in a war with the Soviet Union, makes me have some doubts.

I am concerned that the proponents of the carrier seem to have no doubts at all. "Give us more and more carriers," they say, "and we can rest more securely in the United States." I do not think we can.

Mr. Chairman, let us get to the question of ships in the Navy. We keep hearing that the Soviets are building ships, and that they have more ships than the United States. I think my colleague, the gentleman from New York, explained that numbers game very well.

I think, however, that it is important that we build more ships. I think it is important that we build more rather than fewer ships. I would rather see more ships of newer and different and diverse types—for example, smaller carriers, helicopter carriers, STOL carries—rather than see us put all our eggs in one basket and build a ship that makes such an inviting target for missiles and other offensive weapons of war.

I think we would be better served if we had dispersion of our forces, and for that we need more ships.

But there is one other factor that I would like to bring up here today, and that is the question of dollars. We are shortly going to come before the Members with the second budget resolution.

that will include a recommendation for defense of $127 billion, of which this carrier will be $2 billion.

The CHAIRMAN. The time of the gentleman from Connecticut (Mr. GIAIMO) has expired.

(By unanimous consent, Mr. GIAIMO was allowed to proceed for 2 additional minutes.)

Mr. GIAIMO. Mr. Chairman, that budget will be for $127 billion. And I am terribly concerned. I am terribly concerned about some of the things that have happened in our defense posture vis-a-vis the Russians. I think we may well be back here soon considering the necessity of adding many more dollars to defense in other areas. For heaven's sake, let us hold on to these scarce dollars and make sure we spend them wisely.

I am concerned and I am sure many members of this Subcommittee on Defense are concerned about the status of our land-based ballistic missile survivability in an attack by the Soviets. I am very concerned about that, I know the Pentagon is concerned, and I know that the President is concerned. We may shortly find ourselves in a budget battle here in the Committee on Appropriations as to whether or not we must do something, and do it rather quickly, in the area of missile defense, whether it means going to a new missile or to mobile missiles or otherwise.

What that will entail I do not know, but I do know this: What we do with land-based missiles is going to cost us many billions of dollars, and we may have to do it.

There is even a question, as the Members know, of the obsolescence of our bomber fleet and whether, because of the weakness or the inability to survive of our land-based missiles, we should put heavier reliance on bombers. This issue may well be before us, and it is going to cost billions of dollars.

We are going to have to face these questions, and as always we are going to have to face them within the constraints of a tight budget.

Mr. Chairman, I submit that we ought to be very careful before we take $2 billion and plunk it down on another carrier when, at the very least, we have time to decide whether we need this additional *Nimitz*-class nuclear carrier. We have one in the works that is being built. There has been such delay and slippage in shipbuilding as it is that we could afford to wait at least another year before we commit ourselves to this huge expenditure of moneys which we may need elsewhere.

Mr. KEMP. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, just briefly, I want to say what an honor it is to serve on this committee, and I want to express my pleasure to the chairman of our committee, the gentleman from Texas (Mr. MAHON), for his great leadership over the years on behalf of not only the full Committee on Appropriations but, most particularly, on behalf of the defense of this Nation. I greatly appreciate not only that but also the gentleman's friendship and leadership.

Mr. Chairman, I rise in strong opposition to the Yates amendment.

The Congress faces an extremely important choice today. In the first instance the choice is between whether or not to build an additional aircraft carrier of any type. The second choice to be made is, if another carrier is to be built, should it be a large nuclear-powered carrier, or a smaller non-nuclear-powered carrier.

With respect to the first question, whether or not we should build a carrier, a few fundamental points should be reviewed. First, is the role that naval aviation plays in the overall theory and strategy of American defense.

The United States is, in traditional "geopolitical" terms, an island nation surrounded by major bodies of water, in comparison to the major nations of the Eurasian landmass which are land powers. Stated in its most elementary form, the United States can only project its power abroad through the use of systems which can support an expeditionary or intercontinental capability.

The United States does not have the option of defending itself by any other means than an expeditionary force because there are no "buffer" states to provide protection against invading forces. Thus, the United States needs conventional forces which can project offensive power against land-based targets of a foreign adversary.

For more than 50 years, the United States has been the world leader in the development and deployment of advanced aircraft carriers and specialized aircraft to operate from aircraft carriers. Aircraft carriers are the essence of American offensive power abroad. We do not have a choice between either an aircraft carrier or several other types of vessels because no other vessel actually provides offensive power for our naval forces. If the United States were to purchase say, three DD–963 destroyers which could be purchased for the price of a new aircraft carrier, the United States would be reduced to what former JCS Chairman Adm. Thomas Moorer has called, a "high mix Coast Guard" because it could not project American military power outside of American territorial waters if contested by enemy naval forces.

Aircraft carriers provide the only means of reliably projecting tactical airpower against land-based targets on a worldwide basis. Eighty-five percent of the world's landmass is accessible from carrier-based tactical aircraft. Moreover, because the carrier "base" is mobile, it cannot be pretargeted, unlike a land base. The carrier does not require the vast investment in fixed infrastructure which represent the kind of permanent improvements which are so easily lost when a host nation decides to exclude the United States from its bases.

It is wise to remember that during the early days of the Korean war, the United States lost all of its land-based facilities within the first 5 days of the conflict. Only carrier based aviation was available to prevent the overrunning of American forces locked in combat near Pusan. Similarly, the United States spent more than $5 billion in facilities in Vietnam and Libya—all of which are now firmly in Communist hands.

When the full costs of land-based air bases is taken into account, carrier based aircraft are a far cheaper means of deploying tactical aircraft to a theater of operations. A carrier task force includes its own means of self-defense, and does not require augmentation from Army air defense units as does the protection of land-based facilities.

Given that there is a recognition that the aircraft carrier is necessary as a means of projecting American power, what aircraft carrier should be selected, given that only one more carrier will be built for the balance of this century. The proposed ceiling of 13 carriers is based upon the notion that we should have a force of 12 deployable carriers plus one for training. This is the minimum number allowing the United States to maintain its commitments to keep a presence in the Mediterranean, the Western Pacific, and the Atlantic.

The CVN is more survivable than a smaller non-nuclear carrier because—

It carries more tactical aircraft for self-defense than a smaller carrier;

It has more space for the storage of aviation fuel and bombs permitting it to operate for longer periods without refueling;

It has better damage control features because its larger size permits greater armor and the carriage of less inflammable fuel than does the smaller CVV; and

The CVV would carry few aircraft for antisubmarine warfare thereby requiring either more ASW escorts, or run a greater risk of being attacked by hostile submarines (NOTE.—The CVN carries about 100 aircraft compared to approximately 60 for the CVV).

With respect to cost, there is essentially no difference in the cost of a CVV and a CVN, given that only one of each is to be built. Included in the capital cost of a CVN is the first 13 years of fuel. For the non-nuclear CV, however, 13 years of fuel at current prices will cost $350 million. In addition, an extra $300 million will have to be spent in storing and delivery of this 13-year supply of fuel oil to the CVV. Thus, the total comparable cost is approximately equal, $1.9 billion for the CVN–71 versus $2.1 billion for the non-nuclear CVV.

The cost estimate on the CVV is a "Class D" estimate because the Navy has no confident idea of when the ship could be built or exactly how much it would cost because a ship of this size has not been built.

The CVV is the least-capable aircraft carrier the United States will have built since World War II because it will only have two screws and two elevators where all other post World War II carriers have had four screws and four elevators. This greatly increases the risk of the ship being knocked out of action.

Since the CVV is the first ship of its class, the costs may become much larger than is currently estimated. On the other hand, we have already built three CVN's so the costs are well known. The CVN–71 is to be an exact copy of the CVN–70 now under construction so the unanticipated cost risk is small compared with the CVV.

In conclusion, it is fair to say that the construction of an additional aircraft carrier is the minimum effort we can

make to assure that any future American President will have sufficient offensive combat power in the parts of the world where we have vital interests to protect. A CVN will be the most cost-effective means of providing this capability.

Mr. EDWARDS of Alabama. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I do not come here as an expert, by any means. We have heard a lot of experts today. We have heard a lot of people who understand the Navy better than I do. But I am greatly concerned that, when we are told how badly the Navy needs ships to cover the oceans of the world, to keep the sea lanes of the world open, we are talking about putting $2.5 billion, $3 billion, whatever it finally turns out to be, into one ship.

Mr. Chairman, I spoke about this in general debate. I am concerned that the Trident is running $1,200,000,000. The attack submarine is almost one-half billion dollars. It seems that we set out to build our powerplant and then we build the biggest thing we can to hold the powerplant.

One thing I guess that the conferees did the other day that was good was to finally repeal the section of the law which says that service combatants have to be nuclear. I am not opposed to nuclear ships. We have some 11 now, with 2 being constructed and another one where the long leadtime items have been ordered.

The Russians, our intelligence people tell us, perhaps have one. We will have soon four nuclear carriers. I do not know that the world is going to rise or fall and come to an end if we do not have one more nuclear carrier.

The thing that troubles me about all of this is that we are talking about a CVV that none of us know anything about. It does seem to me that we could wait a year to see what the CVN is all about and make a decision then. I am told by the Secretary of Defense that that would mean perhaps 2 to 4 months delay in the CVN–71.

Think what you can buy for $2.5 billion. Think what number of ships you can put in the ocean for $2.5 billion. Think, if you want to, about the tanks or the planes or the other things you can buy with $2.5 billion. There are all kinds of combinations of ships that can be bought for that amount of money. When we rise, I will put a list of combinations in the RECORD so that the Members may see.

The list follows:

Combinations of ships which could be bought for $2.5 billion:

1. 1 CGN–42 cruiser (Aegis); 1 SSN–688 submarine; and 4 FFG–7s frigates.

2. 1 FFG–7 frigate; 1DDG–2 destroyer conversion; 1 DDG–47 destroyer (Aegis); 1 aircraft carrier slep (service life extension program); 1 DD–963 destroyer; and 1 SSN–688 submarine.

3. 1 DDG–47 destroyer (Aegis); 1 DD–963 destroyer; and 7 FFG–7 frigates.

4. 4 FFG–7 frigates; 1 DDG–47 destroyer (Aegis); 1 DD–963 destroyer; and 1 SSN–688 submarine.

5. 13 FFG–7 frigates.

6. 3 DDG–47 destroyers (Aegis).

7. 8 DD–963 destroyers.

We have come to the floor today with the largest appropriations bill in the history of this country—a peacetime bill, trying to be prepared in the event of war. But I must remind you that the "money well" is not bottomless. And if we are going to give priorities to the dollars we spend, if we are going to try to spend wisely, if we are going to try to cut out waste and unnecessary items and try to have a lean and mean defense, then I think we have to spend those dollars in the best way we know how.

There is no need—no compelling need to spend $2½ billion now on a fifth nuclear carrier. I am not here carrying the administration's water on my shoulders, and I think the Members know that. I think the administration's shipbuilding policy is horrendous. We ought to be building more ships, and we are going to be trying to get the administration to budget more ships.

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

(By unanimous consent Mr. EDWARDS of Alabama was allowed to proceed for 5 additional minutes.)

Mr. EDWARDS of Alabama. Mr. Chairman, I said Friday that I hoped that the authorizing committee, if the budget does not include enough ships, will give us something that we can support. We have only got 15 ships in this budget. There should have been 30. Whether there will be more, next year and the year after that and the year after that, depends on how many of these big, costly ships we, on our own, go off and build.

I understand the Members' frustration; I share it. We ought not to have to be making policies like this on this floor and in this Congress. We ought not to be having to decide which ship will be built and when it will be built and how many ships will be built. We ought to be presented with a budget that has a clear policy that leads us in the direction of a sound Navy that can cover the oceans of this world—and we have not been.

But let us not, because of that, go off in a direction that is so costly when that money could be used for other purposes. So, I hope when the vote comes that the Members will give serious consideration to the amendment. Remember, there is only so much money. If we build it, it is going to be done at the expense of something else, or it is going to be done at the expense of a worldwide mission which can only be carried out with a sufficient number of ships.

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

Mr. Chairman, the chairman of a committee reluctantly opposes the action of a committee which he heads—normally. On this matter the vote in the subcommittee was determined by one vote; and the vote in the full Committee on Appropriations was 26 to 26, so I feel comfortable in expressing my views in regard to this amendment.

I am not an opponent of carriers. I have carried the ball in this House for carriers on many occasions. The Committee on Appropriations is pro-Navy, it is pro-carrier. So, this is not to be interpreted as a fight against carriers, and this is not to be interpreted as making a decision between the CVV, the smaller carrier, and the big nuclear carrier.

But, I say in this environment, with all the indecision, with all the problems and the controversy between the administration and the Congress, that perhaps this is time to comply with the action of the Armed Services Committees in setting forth new legislation in section 810 of the authorization bill on Navy shipbuilding policy describing just what action should be taken by the administration before ships are submitted to Congress for funding consideration.

This carrier is not in the President's budget. It is above the budget. The ship can be built in only one yard and that is the Newport News—only one yard. This is 1978. The CVN–70 carrier now under construction there will not be ready until 1982—4 years from now. It takes about 8 years to build a nuclear carrier.

So the fate of the Nation is not dependent upon what may happen with respect to this matter today. The *Carl Vinson* is not scheduled to be delivered until about 1982.

And the Newport News Shipbuilding Co., is in great disarray insofar as Navy business is concerned. There are shipbuilding claims being fought over totaling $766 million between Newport News and the Navy and about $250 million of that total involves nuclear carriers already delivered by that shipyard to the Navy.

So this is where we find ourselves. This is not a critical time when we should leap forward to add $2 billion to this bill to build an additional nuclear carrier. And I would warn the Members that the statistics shows that the estimated cost of carriers usually increases on the average of about 42 percent. The CVN–71 carrier is not going to cost $2.4 billion. It will be nearer $3 billion when it is constructed.

What does it mean? It means that other ships of lesser cost will have to be neglected. The result is a smaller Navy.

Besides that, the carrier that has been authorized is not the most modern carrier that can be built. It is the unimproved, repeat version of the *Nimitz*-class carrier. The House Armed Services Committee put in the bill authorization for the improved and more survivable carrier, but it was taken out in conference. We are now asked to vote to support an unimproved carrier. This carrier would not contain any improvements to greatly increase, according to the Navy, its survivability.

The carrier is a very important instrument for the United States. It shows our power throughout the world and we are fortunate to have 12 deployable carriers. They are valuable to us. They do show our strength and determination in the various oceans and seas of the world. I do not see why 12 carriers would not fulfill that objective here for at least a few years. Certainly it will be 8 years before this ship could ever be completed.

In a war not involving the Soviet Union, no one could convince me that 12 carriers are not reasonably sufficient.

The CHAIRMAN. The time of the gentleman from Texas (Mr. MAHON) has expired.

(By unanimous consent, Mr. MAHON was allowed to proceed for 5 additional minutes.)

Mr. MAHON. Mr. Chairman, what country can anyone pick out that we could have a war with in which 12 carriers would not be reasonably adequate? It is not anticipated that we would have the island-to-island jumping that we had in World War II. But in the event of world war III involving a war between the United States and the Soviet Union—that is what we fear and that is what we must deter—does anybody think that the building of a new $2 billion carrier will deter the Soviet Union or deter war with the Soviet Union? I do not think so at all.

If war comes between the United States and the Soviet Union, it will be a war fought with nuclear weapons, with land-based intercontinental ballistics missiles and with submarine-launched intercontinental ballistic missiles. The carrier will not be a decisive element in a war with the Soviet Union. A war with the Soviet Union would be bang, bang, bang—and what is left would be very little.

So it seems to me that from the standpoint of deterring war, the 12 carriers we have at present—and it is all right at a later time to have an additional carrier, and if we want to make it a nuclear carrier, that is all right. I am not going to argue that point. I am just arguing that at this point in time there is no reason why we should provide this $2 billion additional for a carrier that would be placed in a shipyard that will not finish the present carrier for 4 more years. It just does not make sense to me.

When we take into consideration the fact that there are constraints on the fiscal budget—and I thought the gentleman from Connecticut (Mr. GIAIMO), chairman of the Budget Committee, did an excellent job in presenting the problems before us and so did Mr. EDWARDS—I would earnestly hope we may take a little more time and resolve this issue equitably between the Congress and the executive branch and that we can proceed with the Defense bill without the carrier.

There is a great deal of concern and apprehension about the proposed construction of this, I would say, $3 billion carrier. I think we have got reasonably adequate carrier support as it is. I think in a conventional war we at this time have got plenty of support. In a war between the United States and the Soviet Union I do not think the carrier would be a very significant force, and I do not think you would think so because everybody knows that a war with the Soviet Union would bring into play nuclear weapons and you do not have a major role for the aircraft carriers to play in a war of that kind.

I am not an expert on war at all. I am like the gentleman from Alabama (Mr. EDWARDS). I cannot speak to you as an expert about war, but I can speak to you as one who has helped keep this country secure for these 38 years that I have been a member of the Committee on Appropriations, and most of that time on the Subcommittee on Defense.

We have presented to the Congress during those years, on the bills which I have had a part in offering, one trillion, seven hundred billion dollars in defense bills. So do not feel that the Defense Subcommittee or the Committee on Appropriations is undertaking to sell our country short. We are not. We are for a secure defense, we are for the carriers, and we are for a resolute policy. And we have not lost any war yet as a result of our lack of equipment and manpower. Some have mentioned Vietnam, yes, but our lack of success there was not because of a lack of equipment and manpower. Some have said that in Korea it was indecisive, yes, but it was not because of lack of equipment or lack of manpower.

So, Mr. Chairman, let me urge the Members to vote for the amendment that has been offered by the gentleman from Illinois (Mr. YATES). This is the proper thing for us to do at this moment.

Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas (Mr. MAHON)?

There was no objection.

The CHAIRMAN. Members will be recognized for 30 seconds each.

(By unanimous consent, Mr. FLYNT yielded his time to Mr. SIKES.)

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. SIKES).

Mr. SIKES. Mr. Chairman, the aircraft carrier today is the maximum antiship defense system. It is the maximum ship afloat in antiaircraft defense. It can project our country's offensive capability to all parts of the world. This becomes particularly significant if there not be a nuclear war because conventional wars move fast and we have to be able to move fast to cope with them. The carrier is an essential means whereby we can project ourselves to any ocean in any part of the world in the least possible time.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey (Mr. HUGHES).

Mr. HUGHES. Mr. Chairman, I rise in support of the amendment, and I would like to associate myself with the remarks of the chairman of the committee, the gentleman from Texas (Mr. MAHON).

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

The CHAIRMAN. The Chair recognizes the gentlewoman from Colorado (Mrs. SCHROEDER).

Mrs. SCHROEDER. Mr. Chairman, I rise in support of the amendment of the gentleman from Illinois.

The debate on the future of the aircraft carrier that has taken place in this House over the last several years involves two interrelated questions. The first is how many carriers should we have? The second concerns what type of carriers we should build if additional construction is necessary. The first question is the more basic of the two and is addressed by this amendment which seeks to strike funds for a nuclear carrier in this year's appropriations bill. In more concrete terms the question is, Must we have 13 carriers into the indefinite future?

My impression is that many of my colleagues consider this a closed question. It should not be. I remain uneasy over the lack of attention that has been paid to alternatives to the carrier including the utilization of land-based air, and current V/STOL, cruise missile and remotely piloted vehicle technology. The 13-carrier requirement has not been fully justified in my mind. The enormous cost of another nuclear carrier demands that it be so.

Concern over the cost of an additional carrier led me to go back and review some of the Navy's recent studies on carrier force level requirements. Three of these recent studies are of note—the CVNX study initiated by then Secretary of Defense Schlesinger in late 1975, the National Security Council study submitted by the Ford administration in January, 1977, and the recently completed naval force planning study directed by the Carter administration. The sad truth is that such studies have generated aircraft carrier requirements after assuming alternatives out of existence. Critiques of these studies performed by the GAO, CBO, and CRS have consistently pointed to this major fault.

Just as the Air Force built-in assumptions and scenarios to favor the B–1 in its studies, so these Navy dominated studies have been constructed so as to confirm Navy budgets and force level requirements. This is a problem we should expect from the individual services which are wedded to traditional ways of doing things and protective of their roles and missions.

There is increasing evidence that in some missions traditionally associated with the carrier alternatives are a better bet for the taxpayer. The Congressional Budget Office last year in a study titled "The U.S. Sea Control Mission: Forces, Capabilities, and Requirements" demonstrated significant savings for land-based air defense in the Atlantic in support of the sea control mission. The savings accruing to land-based air ranged from $2.3 to $6.6 billion depending upon various options chosen.

The cost-effectiveness of this approach to defending against the Backfire threat has just recently been reconfirmed by a study completed by the Institute for Defense Analyses for the Pentagon. The study again shows land-based air, with or without the use of Iceland, to be overwhelmingly cost-effective compared to carrier-based air.

If these cost-effective substitutes are available for the carrier in this and other missions it means the 13-carrier requirement can probably only be justified by the "presence" mission. One of the most frequently heard arguments from proponents of additional carrier construction is that failure to maintain 13 carriers would lead to a reduction of our current forward deployments. The Navy currently argues that three carriers are needed for each of the four carriers that are currently forward deployed—two

each in the Pacific and Mediterranean. Again options are available. The homeporting of a second carrier in the Western Pacific, either in Japan or Subic Bay, would allow us to maintain current forward deployments with a reduced number of decks. Not only does homeporting allow higher deployed force levels with fewer total assets, but also greater on-station time. Substantial savings could result from removing the need for additional carrier construction as well as by shortening the logistics tail support for carriers that are forward deployed.

Even assuming current deployment, overhaul and training schedules, a drop to 11 deployable decks would mean only a 3-month period out of the year when 4 carriers could not be forward deployed. That gap could be filled by the deployment of additional land-based air or ships including the new general purpose helicopter assault ship (LHA). With a displacement of 39,000 tons and the capability of embarking 1,800 marines the LHA was considered by both Secretary Schlesinger and Secretary Rumsfeld as capable of performing a wide range of functions. These ships are equivalent in size to the old World War II *Essex*-class carriers and match the size of the Soviet's new carrier the *Kiev*. The House in accepting the recent conference report on the fiscal year 1979 Defense authorization bill has taken a step in the direction of support for this concept. The conference report accepted a Senate amendment to authorize $45 million for the conversion of one LPH amphibious assault ship to a light carrier. The report notes—

A light carrier will add to the Navy's at-sea air capability and complement existing carriers by being capable of being converted to undertake a variety of missions such as anti-submarine warfare, mine countermeasures operations, presence and amphibious assault.

The Navy's Sea-Based Platform Study has estimated the 30-year life cycle cost of a nuclear carrier at between $18 and $25 billion depending upon the type of aircraft to be procured. Such cost figures do not even take into account the additional costs that will be associated with the procurement of nuclear-powered escorts to protect the carrier. The life-cycle cost of the carrier alone is greater than the difference in cost between the Carter and Ford 5-year shipbuilding plans. The Carter plan submitted this year called for 86 fewer new ships and 7 fewer modernizations. While our requirements are still debatable, nothing better states to me the opportunity costs of building large, high-value ships.

Just for the procurement price of another *Nimitz* carrier and its airwings we could purchase 46 frigates for the escort role in time of war, or alternatively procure the 7 DDG–47's in the Carter 5-year plan to upgrade air defense for our conventionally powered task forces with about $3 billion to spare. That extra $3 billion is approximately equal to the procurement cost of 3 new follow-on Aegis-equipped nuclear cruisers of the *Virginia* class with spare change left over to backfit Aegis into a fourth cruiser.

At an even more basic level the material readiness of the Navy's ships and aircraft remain well below par largely due to fiscal constraints. At the end of the last fiscal year the Navy still had 42 ships backlogged for overhaul to bring their material readiness up to par. And it is anticipated that fiscal year 1979 aircraft material readiness will decrease once again after having reached an all-time low in fiscal year 1976.

It is unfortunte that the debate over the carrier this year has focused largely on a straight-up-and-down comparison of the relative capabilities of the CVN versus the CVV. The real question is what we incrementally gain from spending a sum of money on an additional carrier versus what we gain from spending it in other ways. We have needs that are far more pressing than the construction of a 13th carrier.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. ROBERTS).

Mr. ROBERTS. Mr. Chairman, I am in the midst of so many experts on carriers that I am almost embarrassed to talk.

I have only served on three carriers and have only been in 40-some-odd convoys to France in World War II.

Mr. Chairman, we cannot move one ship to aid our allies without air cover, and the only way we can get air cover is by the nuclear carrier.

I hope we have sense enough to put the $2 billion into the bill and let us build the carrier if it is needed. It will take 8 years to get it after we start, and I hope we have sense enough to do what we have to do.

(By unanimous consent, Mr. VOLKMER yielded his time to Mr. YATES).

The CHAIRMAN. The Chair recognizes the gentleman from Virginia (Mr. ROBINSON).

Mr. ROBINSON. Mr. Chairman, if there is anything that is a national necessity, it is that the carrier, the nucleus of our forces, is vital in keeping the sea-lanes clear.

Everyone admits that we have to have 12 of them which are usable. That means we need one more, and now is the time to get it.

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. CHAPPELL).

Mr. CHAPPELL. Mr. Chairman, we can build this carrier now.

I have in my hand right here—and this has been agreed to by the Navy—a letter from the Newport News Shipbuilding Co. which says that we can build it now. We want to build it now. We have the force to build it now, and if we do not get this carrier to build, we are going to have to lay off some 5,000 people who are experts in this field.

Mr. Chairman, I urge defeat of the Yates amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia (Mr. TRIBLE).

Mr. TRIBLE. Mr. Chairman, I oppose the Yates amendment and point out to my colleagues that an American force level of 12 deployable carriers is essential if the United States is to remain a first-class naval power and retain our slim superiority over the Soviet Union. The Soviet Union has three times as many ships as the United States does. The carrier is our margin of difference. It is today the most capable, survivable ship afloat, and we should build the nuclear aircraft carrier.

The CHAIRMAN. The Chair recognizes the gentleman from South Carolina (Mr. SPENCE).

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

I understand that the President has written a letter to the chairman of the House Appropriations Committee in which he says that:

We simply cannot afford to spend more than $2 billion for the marginal advantages of a fifth nuclear carrier.

That statement is terribly inaccurate.

The advantages of the nuclear carrier are not "marginal" by any means. They are overwhelmingly superior to oil-fired ships. The President ought to know better than that. Certainly the Congress knows better than that.

In the letter, the President makes no mention of funding a carrier at all in fiscal year 1979. Presumably he wants a carrier some other time, since he is publically announced that one more large-deck carrier is needed to maintain 12 deployable carriers into the 21st century.

This poses an interesting question.

Since the cost of a repeat *Nimitz* is about the same as a new construction, oil-fired, CVV in fiscal year 1979 dollars—as has been shown on numerous occasions to each Member of the House—how much more expensive is the CVV going to be next year?

How much more will the CVV cost next year? Every year we wait, the carrier will cost more! Buy now, and save later.

The President's letter contains the observation that for the price of a nuclear carrier we could purchase "up to a dozen new surface combatants—destroyers or frigates."

Since the unit cost of a destroyer is around $700 million, I have tried in vain to figure the arithmetic on that one. I figure his estimate is off by about $6 billion. But I guess that is close enough for Government work.

Regardless of the arithmetic, the President misses the point.

Lots of ships can be bought for the price of any carrier. The problem is simply this—we need a carrier. We have to pay for a carrier. It costs a lot, but we need it.

Smaller ships, less complex ships, can be built faster and in greater numbers. They can be built almost anytime.

Carriers take time—a great deal of time to build.

That is why it is important to get on with building the carrier now so it will be ready when we need it.

The other ships can be funded next year and in greater numbers. We should welcome and encourage that approach to building up our Navy.

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. BENNETT).

Mr. BENNETT. Mr. Chairman, I rise in opposition to the amendment. I do not want to press the matter further; I have spoken so much today.

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

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. YATES).

Mr. YATES. Mr. Chairman, I urge support for the amendment, based upon the arguments that have been made so eloquently by the distinguished chairman of the Committee on Appropriations, who, over the years, has fought more than any single Member of the House for the support of the Armed Forces, and who has made certain that our Armed Forces were provided with the necessary funds.

He has pointed out that the President of the United States, the Commander in Chief of the Armed Forces, has requested that another year be taken in deciding what kind of carrier we want, if, indeed, we do want a carrier. Nothing will be hurt if that time is allotted.

More than that, Mr. Chairman, as he pointed out, the carrier that has been approved by the authorizing committee is not the unique kind of carrier that has been discussed by the gentlemen who have opposed my amendment. A carrier that is already in existence is proposed to be constructed again. I urge support for my amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. MAHON) to close debate.

Mr. MAHON. Mr. Chairman, there has been no disposition to shorten the debate on this amendment. We have spent about 2 hours and 25 minutes on this matter, and I think it is very proper that we have utilized this time. We have had a high level debate. I reassert my position in support of the amendment and ask for a favorable vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. YATES).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. YATES. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 156, noes 218, not voting 58, as follows:

[Roll No. 654]

AYES—156

Addabbo	Cavanaugh	Erlenborn
Ammerman	Chisholm	Ertel
Anderson, Ill.	Cohen	Evans, Colo.
Andrews, N.C.	Collins, Ill.	Fary
Ashley	Conable	Fenwick
Aspin	Conte	Findley
AuCoin	Cornell	Fisher
Bedell	Cornwell	Florio
Benjamin	Cotter	Ford, Mich.
Biaggi	Coughlin	Ford, Tenn.
Bingham	D'Amours	Forsythe
Blanchard	Delaney	Frenzel
Blouin	Dellums	Garcia
Boland	Dingell	Gephardt
Bonior	Dodd	Giaimo
Bonker	Drinan	Gibbons
Brademas	Duncan, Oreg.	Glickman
Brodhead	Early	Hamilton
Burlison, Mo.	Eckhardt	Hanley
Burton, John	Edwards, Ala.	Harkin
Carr	Edwards, Calif.	Heckler
Hefner	Mikva	Roybal
Heftel	Milford	Russo
Holtzman	Miller, Calif.	Ryan
Howard	Miller, Ohio	Scheuer
Hughes	Mineta	Schroeder
Jacobs	Moakley	Seiberling
Jordan	Moffett	Sharp
Kastenmeier	Moorhead, Pa.	Simon
Keys	Murphy, Ill.	Smith, Iowa
Kildee	Natcher	Solarz
Kostmayer	Nedzi	Spellman
Krebs	Nolan	St Germain
Leggett	Nowak	Stark
Lehman	Oberstar	Steers
Levitas	Obey	Steiger
Lundine	Panetta	Stockman
McCloskey	Pattison	Stokes
McDade	Pease	Studds
McEwen	Pickle	Thompson
McHugh	Pike	Traxler
McKay	Preyer	Udall
McKinney	Pritchard	Vanik
Madigan	Rahall	Vento
Maguire	Rangel	Volkmer
Mahon	Reuss	Walgren
Markey	Richmond	Waxman
Mattox	Rodino	Weaver
Meeds	Rogers	Weiss
Metcalfe	Rooney	Whalen
Meyner	Rosenthal	Yates
Mikulski	Rostenkowski	Young, Mo.

NOES—218

Abdnor	Flood	Moorhead, Calif.
Akaka	Flynt	Motti
Alexander	Foley	Murphy, N.Y.
Ambro	Fountain	Murphy, Pa.
Anderson, Calif.	Fuqua	Murtha
Andrews, N. Dak.	Gaydos	Myers, Gary
Annunzio	Gilman	Myers, John
Applegate	Ginn	Myers, Michael
Archer	Goldwater	Neal
Armstrong	Gonzalez	Nichols
Ashbrook	Goodling	Nix
Badham	Gore	O'Brien
Bafalis	Gradison	Oakar
Bauman	Grassley	Patten
Beard, R.I.	Guyer	Patterson
Beard, Tenn.	Hagedorn	Pepper
Bennett	Hall	Perkins
Bevill	Hammer-schmidt	Pettis
Boggs	Hannaford	Poage
Bowen	Harris	Price
Breaux	Harsha	Quayle
Breckinridge	Hightower	Quillen
Brinkley	Hillis	Railsback
Brooks	Holt	Regula
Broomfield	Horton	Rinaldo
Brown, Mich.	Hubbard	Risenhoover
Broyhill	Huckaby	Roberts
Buchanan	Hyde	Robinson
Burgener	Ichord	Roe
Burke, Fla.	Ireland	Rose
Burleson, Tex.	Jeffords	Rousselot
Byron	Jenrette	Rudd
Carney	Johnson, Calif.	Runnels
Carter	Johnson, Colo.	Satterfield
Cederberg	Jones, N.C.	Schulze
Chappell	Jones, Okla.	Sebelius
Clausen, Don H.	Jones, Tenn.	Shuster
Clawson, Del	Kazen	Sikes
Cleveland	Kelly	Slack
Coleman	Kemp	Smith, Nebr.
Collins, Tex.	Kindness	Snyder
Corcoran	Krueger	Spence
Corman	Lagomarsino	Staggers
Cunningham	Latta	Stangeland
Daniel, Dan	Leach	Stanton
Daniel, R. W.	Lederer	Steed
Danielson	Lent	Stratton
Davis	Livingston	Stump
de la Garza	Lloyd, Calif.	Symms
Dent	Lloyd, Tenn.	Taylor
Derrick	Long, La.	Thone
Derwinski	Long, Md.	Thornton
Devine	Lott	Treen
Dicks	Lujan	Trible
Dornan	Luken	Tucker
Downey	McClory	Ullman
Duncan, Tenn.	McCormack	Van Deerlin
Edgar	McDonald	Vander Jagt
Edwards, Okla.	McFall	Waggonner
Ellberg	Marks	Walker
Emery	Marlenee	Walsh
English	Marriott	Wampler
Evans, Del.	Martin	Watkins
Evans, Ind.	Mazzoli	White
Fascell	Michel	Whitehurst
Fish	Minish	Whitley
Fithian	Mitchell, N.Y.	Whitten
Flippo	Mollohan	Wiggins
	Montgomery	Wilson, Bob
	Moore	Winn
Wolff	Yatron	Zablocki
Wright	Young, Alaska	Zeferetti
Wydler	Young, Fla.	
Wylie	Young, Tex.	

NOT VOTING—58

Baldus	Fowler	Pressler
Barnard	Fraser	Pursell
Baucus	Frey	Quie
Beilenson	Gammage	Rhodes
Bolling	Green	Roncalio
Brown, Calif.	Gudger	Ruppe
Brown, Ohio	Hansen	Santini
Burke, Calif.	Harrington	Sarasin
Burke, Mass.	Hawkins	Sawyer
Burton, Phillip	Holland	Shipley
Butler	Hollenbeck	Sisk
Caputo	Jenkins	Skelton
Clay	Kasten	Skubitz
Cochran	LaFalce	Teague
Conyers	Le Fante	Tsongas
Crane	Mann	Wilson, C. H.
Dickinson	Mathis	Wilson, Tex.
Diggs	Mitchell, Md.	Wirth
Evans, Ga.	Moss	
Flowers	Ottinger	

The Clerk announced the following pairs:

On this vote:

Mr. Mitchell of Maryland for, with Mr Burke of Massachusetts against.

Mr. Conyers for, with Mr. Gammage against.

Mr. Ottinger for, with Mr. Santini against.

Mr. Beilenson for, with Mr. Teague against.

Mr. Baldus for, with Mr Shipley against.

Mr. Wirth for, with Mr. Roncalio against.

Mrs. Burke of California for, with Mr. Sisk against.

Mr. Clay for, with Mr. Skelton against.

Mr. RAHALL and Mr. LEVITAS changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. MAHON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROSTENKOWSKI, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 13635) making appropriations for the Department of Defense for the fiscal year ending September 30,, 1979, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may be permitted to revise and extend their remarks, and to include extraneous matter, in connection with the consideration of the Department of Defense appropriation bill today.

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

There was no objection.

CONFERENCE REPORT ON H.R. 12602, MILITARY CONSTRUCTION AUTHORIZATION ACT, 1979

Mr. NEDZI submitted the following conference report and statement on the bill (H.R. 12602) to authorize certain construction at military installations for fiscal year 1979, and for other purposes:

CONFERENCE REPORT (H. REPT. NO. 95-1448)

The committee of conference on the disagreeing votes of the two Houses on the

amendment of the Senate to the bill (H.R. 12602) to authorize certain construction at military installations for fiscal year 1979, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That this Act may be cited as the "Military Construction Authorization Act, 1979".

TITLE I—ARMY

AUTHORIZED ARMY CONSTRUCTION PROJECTS

SEC. 101. The Secretary of the Army may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, for the following acquisition and construction:

INSIDE THE UNITED STATES

UNITED STATES ARMY FORCES COMMAND

Fort Bragg, North Carolina, $8,836,000.
Fort Carson, Colorado, $25,636,000.
Fort Devens, Massachusetts, $799,000.
Fort Greeley, Alaska, $2,651,000.
Helemano Military Reservation, Hawaii, $1,916,000.
Fort Hood, Texas, $62,086,000.
Fort Sam Houston, Texas, $1,633,000.
Fort Lewis, Washington, $8,933,000.
Fort McCoy, Wisconsin, $991,000.
Fort Meade, Maryland, $10,669,000.
Fort Ord, California, $1,628,000.
Fort Polk, Louisiana, $25,845,000.
Fort Richardson, Alaska, $1,974,000.
Fort Riley, Kansas, $5,915,000.
Schofield Barracks, Hawaii, $12,223,000.
Fort Stewart Hunter Army Air Field, Georgia. $57,129,000.
Fort Wainwright, Alaska, $3,323,000.
Yakima Firing Center, Washington, $1,270,000.

UNITED STATES ARMY TRAINING AND DOCTRINE COMMAND

Fort Benning, Georgia, $5,173,000.
Fort Bliss, Texas, $4,758,000.
Carlisle Barracks, Pennsylvania, $1,601,000.
Fort Eustis, Virginia, $5,353,000.
Fort Gordon, Georgia, $3,247,000.
Fort Benjamin Harrison, Indiana, $2,359,000.
Fort Jackson, South Carolina, $3,300,000.
Fort Knox, Kentucky, $15,058,000.
Fort Leavenworth, Kansas, $2,251,000.
Fort Lee, Virginia, $3,074,000.
Fort Rucker, Alabama, $2,280,000.
Fort Monroe, Virginia, $550,000.
Fort Sill, Oklahoma, $24,756,000.
Fort Leonard Wood, Missouri, $13,947,000.

UNITED STATES ARMY MATERIEL DEVELOPMENT AND READINESS COMMAND

Aberdeen Proving Ground, Maryland, $9,412,000.
Anniston Army Depot, Alabama, $10,736,000.
Hawthorne Ammunition Depot, Nevada, $1,547,000.
Holston Army Ammunition Plant, Tennessee, $30,650,000.
Iowa Army Ammunition Plant, Iowa, $1,028,000.
Kansas Army Ammunition Plant, Kansas, $1,124,000.
Longhorn Army Ammunition Plant, Texas, $507,000.
Michigan Army Missile Plant, Michigan, $1,284,000.
Milan Army Ammunition Plant, Tennessee, $1,239,000.
Natick Laboratories, Massachusetts, $3,221,000.
Picatinny Arsenal, New Jersey, $16,381,000.
Pine Bluff Arsenal, Arkansas, $523,000.
Red River Army Depot, Texas, $813,000.
Redstone Arsenal, Alabama, $3,825,000.
Rock Island Arsenal, Illinois, $1,957,000.
Seneca Army Depot, New York, $1,087,000.
Sierra Army Depot, California, $843,000.
Sunflower Army Ammunition Plant, Kansas, $1,281,000.
Tobyhanna Army Depot, Pennsylvania, $1,227,000.
Watervliet Arsenal, New York, $27,021,000.

AMMUNITION FACILITIES

Holston Army Ammunition Plant, Tennessee, $398,000.
Indiana Army Ammunition Plant, Indiana, $771,000.
Iowa Army Ammunition Plant, Iowa, $5,011,000.
Kansas Army Ammunition Plant, Kansas, $394,000.
Lone Star Army Ammunition Plant, Texas, $172,000.
Longhorn Army Ammunition Plant, Texas, $137,000.
Louisiana Army Ammunition Plant, Louisiana, $276,000.
Milan Army Ammunition Plant, Tennessee, $9,370,000.
Radford Army Ammunition Plant, Virginia, $2,960,000.
Scranton Army Ammunition Plant, Pennsylvania, $1,928,000.
Sunflower Army Ammunition Plant, Kansas, $2,251,000.

UNITED STATES ARMY COMMUNICATIONS COMMAND

Fort Huachuca, Arizona, $3,811,000.
Fort Ritchie, Maryland $5,115,000.

UNITED STATES MILITARY ACADEMY

United States Military Academy, West Point, New York, $12,265,000.

UNITED STATES ARMY HEALTH SERVICE COMMAND

Fitzsimons Army Medical Center, Colorado, $1,372,000.
Walter Reed Army Medical Center, District of Columbia, $3,524,000.

MILITARY TRAFFIC MANAGEMENT COMMAND

Sunny Point Military Ocean Terminal, North Carolina, $1,228,000.

OUTSIDE THE UNITED STATES

UNITED STATES ARMY, KOREA

Various Locations, $7,580,000.

KWAJALEIN MISSILE RANGE

National Missile Range, $6,571,000.

UNITED STATES ARMY, EUROPE

Germany, Various Locations, $213,875,000.

EMERGENCY CONSTRUCTION

SEC. 102. The Secretary of the Army may establish or develop Army installations and facilities by proceeding with construction made necessary by changes in Army missions and responsibilities which have been occasioned by (1) unforeseen security considerations, (2) new weapons developments, (3) new and unforeseen research and development requirements, (4) improved production schedules, or (5) revisions in the tasks or functions assigned to a military installation or facility or for environmental considerations, if the Secretary of Defense determines that deferral of such construction for inclusion in the next Military Construction Authorization Act would be inconsistent with interests of national security and, in connection therewith, may acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of $20,000,000. The Secretary of the Army, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire upon the date of enactment of the Military Construction Authorization Act for fiscal year 1980, except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to such date.

MINOR CONSTRUCTION

SEC. 103. The Secretary of the Army is authorized to accomplish minor construction projects under section 2674 of title 10, United States Code, in the amount of $35,365,000.

TITLE II—NAVY

AUTHORIZED NAVY CONSTRUCTION PROJECTS

SEC. 201. The Secretary of the Navy may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, for the following acquisition and construction:

INSIDE THE UNITED STATES

MARINE CORPS

Headquarters Marine Corps, Arlington, Virginia, $12,000,000.
Marine Corps Base, Camp Lejeune, North Carolina, $16,130,000.
Marine Corps Base, Camp Pendleton, California, $19,700,000.
Marine Corps Air Station, Cherry Point, North Carolina, $2,000,000.
Marine Corps Air Station, El Toro, California. $7,150,000.
Marine Corps Air Station, Kaneohe Bay, Hawaii, $8,500,000.
Marine Corps Air Station, New River, North Carolina, $5,300,000.
Marine Corps Development and Education Command, Quantico, Virginia, $3,300,000.
Marine Corps Air Station, Santa Ana, California, $920,000.
Marine Corps Base, Twentynine Palms, California, $12,000,000.
Marine Corps Air Station, Yuma, Arizona, $930,000.

OFFICE OF NAVAL RESEARCH

Naval Research Laboratory, Washington, District of Columbia, $5,400,000.

CHIEF OF NAVAL OPERATIONS

Naval Academy, Annapolis, Maryland, $14,240,000.
Naval Station, Annapolis, Maryland, $1,000,000.
Naval Submarine Support Base, Kings Bay, Kingsland, Georgia, $39,100,000.
Naval Support Activity, Philadelphia, Pennsylvania, $5,700,000.
Commandant Naval District Washington, District of Columbia, $4,135,000.

COMMANDER IN CHIEF, ATLANTIC FLEET

Naval Air Station, Brunswick, Maine, $16,290,000.
Naval Air Station, Cecil Field, Florida, $2,030,000.
Naval Station, Charleston, South Carolina, $10,240,000.
Naval Air Station, Jacksonville, Florida, $1,285,000.
Naval Amphibious Base, Little Creek, Virginia, $4,100,000.
Naval Station, Mayport, Florida, $16,800,000.
Naval Submarine Base, New London, Connecticut, $13,650,000.
Naval Station, Norfolk, Virginia, $12,760,000.
Naval Air Station, Oceana, Virginia, $6,405,000.

COMMANDER IN CHIEF, PACIFIC FLEET

Naval Station, Adak, Alaska, $8,075,000.
Naval Air Station Alameda, California, $1,380,000.
Naval Air Station, Lenmoore, California, $1,450,000.
Naval Air Station, Miramar, California, $9,500,000.
Naval Air Station, Moffett Field, California, $1,000,000.
Naval Air Station, North Island, California, $7,110,000.
Naval Station, Pearl Harbor, Hawaii, $16-790,000.
Naval Station, San Diego, California, $41,-000,000.
Naval Air Station, Whidbey Island, Washington, $9,500,000.

CHIEF OF NAVAL EDUCATION AND TRAINING

Fleet Combat Training Center Atlantic, Dam Neck, Virginia, $6,000,000.
Fleet Ballistic Missile Submarine Training Center, Charleston, South Carolina, $800,000.
Fleet Training Center, Mayport, Florida, $630,000.
Naval Air Station, Memphis, Tennessee, $570,000.
Naval Submarine School, New London, Connecticut, $6,050,000.
Naval Education and Training Center, Newport, Rhode Island, $4,600,000.
Surface Warfare Officers School Command, Newport, Rhode Island $1,750,000.
Naval Training Center, Orlando, Florida, $5,620,000.
Naval Submarine Training Center, Pearl Harbor, Hawaii, $1,500,000.
Fleet Anti-Submarine Warfare Training Center, San Diego, California, $4,250,000.
Fleet Combat Training Center, Pacific, San Diego, California, $760,000.
Fleet Training Center, San Diego, California, $8,200,000.
Naval Training Center, San Diego, California, $850,000.
Naval Technical Training Center, San Francisco, California, $1,550,000.

BUREAU OF MEDICINE AND SURGERY

National Naval Medical Center, Bethesda, Maryland, $8,430,000.
Naval Regional Medical Center, Camp Lejeune, North Carolina, $51,500,000.
Naval Hospital, Cherry Point, North Carolina, $700,000.
Naval Regional Dental Center, Norfolk, Virginia, $7,400,000.
Naval Hospital, Quantico, Virginia, $1,-800,000.

CHIEF OF NAVAL MATERIAL

Naval Ship Research and Development Center, Bethesda, Maryland $1,290,000.
Puget Sound Naval Shipyard, Bremerton, Washington, $16,650,000.
Puget Sound Naval Supply Center, Bremerton, Washington, $2,700,000.
Charleston Naval Shipyard, Charleston, South Carolina, $20,200,000.
Naval Supply Center, Charleston, South Carolina, $1,100,000.
Naval Weapons Station, Charleston, South Carolina, $3,455,000.
Polaris Missile Facility—Atlantic, Charleston, South Carolina, $6,500,000.
Naval Weapons Center, China Lake, California, $5,360,000.
Naval Weapons Station, Concord, California, $2,600,000.
Naval Surface Weapons Center, Dahlgren, Virginia, $10,700,000.
Naval Weapons Station, Earle, New Jersey, $10,050,000.
Navy Public Works Center, Great Lakes, Illinois, $3,300,000.
Naval Avionics Facility, Indianapolis, Indiana, $2,900,000.
Portsmouth Naval Shipyard, Kittery, Maine, $16,150,000.
Naval Air Engineering Center, Lakehurst, New Jersey, $140,000.
Long Beach Naval Shipyard, Long Beach, California, $15,810,000.
Navy Ships Parts Control Center, Mechanicsburg, Pennsylvania, $700,000.
Naval Air Rework Facility, Norfolk, Virginia, $4,000,000.
Naval Supply Center, Norfolk, Virginia, $4,270,000.
Navy Public Works Center, Norfolk, Virginia, $4,200,000.
Naval Supply Center, Oakland, Califronia, $6,360,000.
Naval Coastal Systems Laboratory, Panama City, Florida, $3,150,000.
Naval Air Test Center, Patuxent River, Maryland, $8,900,000.
Naval Supply Center, Pearl Harbor, Hawaii, $3,750,000.
Pearl Harbor Naval Shipyard, Pearl Harbor, Hawaii, $5,390,000.
Navy Public Works Center, Pearl Harbor, Hawaii, $750,000.
Philadelphia Naval Shipyard, Philadelphia, Pennsylvania, $9,050,000.
Pacific Missile Test Center, Point Mugu, California, $3,810,000.
Naval Construction Battalion Center, Port Hueneme, California, $940,000.
Norfolk Naval Shipyard, Portsmouth, Virginia, $13,350,000.
Naval Supply Center, San Diego, California, $15,250,000.
Navy Public Works Center, San Francisco, California, $3,300,000.
Naval Air Development Center, Warminster, Pennsylvania, $3,290,000.
Mare Island Naval Shipyard, Vallejo, California, $19,000,000.
Naval Weapons Station, Yorktown, Virginia, $9,680,000.

NAVAL TELECOMMUNICATIONS COMMAND

Naval Communication Station, Adak, $790,000.
Naval Radio Transmitter Facility, Annapolis, Maryland, $850,000.
Naval Communication Area Master Station Atlantic, Norfolk, Virginia, $830,000.

NAVAL SECURITY GROUP COMMAND

Naval Security Group Activity, Winter Harbor, Maine, $540,000.

OUTSIDE THE UNITED STATES

MARINE CORPS

Marine Corps Air Station, Iwakuni, Japan, $4,500,000.

COMMANDER IN CHIEF, ATLANTICC FLEET

Naval Air Station, Bermuda, $4,300,000.
Naval Station, Keflavik, Iceland, $6,230,000.
Naval Station, Roosevelt Roads, Puerto Rico, $4,680,000.

COMMANDER IN CHIEF, PACIFIC FLEET

Naval Magazine, Guam, Mariana Islands, $22,340,000.
Naval Supply Depot, Yokosuka, Japan, $3,-700,000.

COMMANDER IN CHIEF, NAVAL FORCES EUROPE

Naval Station, Rota, Spain, $3,350,000.
Naval Air Facility, Sigonella, Italy, $7,-150,000.

BUREAU OF MEDICINE AND SURGERY

Naval Medical Research Unit Number 3, Cairo, Arab Republic of Egypt, $960,000.

NAVAL TELECOMMUNICATIONS COMMAND

Naval Communication Unit, Thurso, Scotland, $890,000.

NAVAL SECURITY GROUP COMMAND

Naval Security Group Activity, Classified Location, $1,663,000.

EMERGENCY CONSTRUCTION

SEC. 202. The Secretary of the Navy may establish or develop Navy installations and facilities by proceeding with construction made necessary by changes in Navy missions and responsibilities which have been occasioned by (1) unforeseen security consideration, (2) new weapons developments, (3) new and unforeseen research and development requirements, (4) improved production schedules, or (5) revisions in the tasks or functions assigned to a military installation or facility or for environmental considerations, if the Secretary of Defense determines that deferral of such construction for inclusion in the next Military Construction Authorization Act would be inconsistent with interest of national security and, in connection therewith, may acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of $20,000,000. The Secretary of the Navy, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire upon the date of enactment of the Military Construction Authorization Act for fiscal year 1980, except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to such date.

MINOR CONSTRUCTION

SEC. 203. The Secretary of the Navy is authorized to accomplish minor construction projects under section 2674 of title 10, United States Code, in the amount of $39,662,000.

AMENDMENT TO SAN DIEGO NAVAL ATHLETIC FIELD TRANSFER

SEC. 204. (a) Section 203 of the Military Construction Authorization Act, 1978 (Public Law 95–82, 91 Stat. 365) is amended—

(1) by striking out "the total cost" in subsection (a) and inserting in lieu thereof "a total of $4,500,000 for the cost"; and

(2) by striking out paragraph (1) of subsection (b) and inserting in lieu thereof the following:

"(1) the Secretary, or his designee, determines that the recreational facilities to be constructed under such subsection will be satisfactory replacements for the facilities on the existing Navy Athletic Field; and".

BIOMEDICAL RESEARCH LABORATORY, CAIRO, EGYPT

SEC. 205. The Secretary of the Navy is authorized to expend excess foreign exchange funds in the amount of $6,000,000 for the construction of a biomedical research laboratory at the Naval Medical Research Unit Number 3, Cairo, Arab Republic of Egypt.

TITLE III—AIR FORCE

AUTHORIZED AIR FORCE CONSTRUCTION PROJECTS

SEC. 301. The Secretary of the Air Force may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, for the following acquisition and construction:

INSIDE THE UNITED STATES

AEROSPACE DEFENSE COMMAND

Tyndall Air Force Base, Florida, $8,687,000.

AIR FORCE LOGISTICS COMMAND

Hill Air Force Base, Utah, $8,163,000.
Kelly Air Force Base, Texas, $17,219,000.
McClellan Air Force Base, California, $3,700,000.
Newark Air Force Station, Ohio, $1,400,000.
Robins Air Force Base, Georgia, $9,424,000.
Tinker Air Force Base, Oklahoma, $2,354,-000.
Wright-Patterson Air Force Base, Ohio, $13,600,000.

AIR FORCE SYSTEMS COMMAND

Arnold Engineering Development Center, Tennessee, $2,710,000.
Buckley Air National Guard Base, Colorado, $2,628,000.
Cape Canaveral Air Force Station, Florida, $9,624,000.
Edwards Air Force Base, California, $4,423,000.
Elgin Air Force Base, Florida, $3,579,000.
Hanscom Air Force Base, Massachusetts, $3,237,000.
Patrick Air Force Base, Florida, $3,504,000.
Various Locations, $688,000.

AIR TRAINING COMMAND

Columbus Air Force Base, Mississippi, $1,586,000.
Keesler Air Force Base, Mississippi, $7,835,000.
Lackland Air Force Base, Texas, $6,945,000.
Laughlin Air Force Base, Texas, $329,000.
Mather Air Force Base, California, $4,522,000.
Randolph Air Force Base, Texas, $850,000.
Reese Air Force Base, Texas, $742,000.
Vance Air Force Base, Oklahoma, $913,000.

ALASKAN AIR COMMAND

Eielson Air Force Base, Alaska, $1,602,000.
Galena Airport, Alaska, $540,000.
Shemya Air Force Base, Alaska, $546,000.
Various Locations, $3,400,000.

MILITARY AIRLIFT COMMAND

Altus Air Force Base, Oklahoma, $1,111,000.
Dover Air Force Base, Delaware, $8,021,000.
Kirkland Air Force Base, New Mexico, $1,450,000.
Little Rock Air Force Base, Arkansas, $504,000.
McChord Air Force Base, Washington, $594,000.
Norton Air Force Base, California, $506,000.
Scott Air Force Base, Illinois, $4,014,000.

STRATEGIC AIR COMMAND

Barksdale Air Force Base, Louisiana, $510,000.
Beale Air Force Base, California, $2,256,000.
Carswell Air Force Base, Texas, $2,910,000.
Castle Air Force Base, California, $13,351,000.
Dyess Air Force Base, Texas, $2,670,000.
Ellsworth Air Force Base, South Dakota, $3,454,000.
Francis E. Warren Air Force Base, Wyoming, $23,143,000.
Fairchild Air Force Base, Washington, $650,000.
Grand Forks Air Force Base, North Dakota, $1,344,000.
Griffiss Air Force Base, New York, $7,499,000.
Grissom Air Force Base, Indiana, $314,000.
Malmstrom Air Force Base, Montana, $5,400,000.
March Air Force Base, California, $357,000.
McConnell Air Force Base, Kansas, $2,200,000.
Minot Air Force Base, North Dakota, $1,182,000.
Plattsburgh Air Force Base, New York, $11,691,000.
Rickenbacker Air Force Base, Ohio, $946,000.
Vandenburg Air Force Base, California, $141,782,000.
Wurtsmith Air Force Base, Michigan, $113,000.

TACTICAL AIR COMMAND

Cannon Air Force Base, New Mexico, $4,129,000.
Davis-Monthan Air Force Base, Arizona, $1,610,000.
England Air Force Base, Louisiana, $1,875,000.
George Air Force Base, California, $2,392,000.
Holloman Air Force Base, New Mexico, $4,135,000.
Langley Air Force Base, Virginia, $3,539,000.
Luke Air Force Base, Arizona, $3,843,000.
Moody Air Force Base, Georgia, $2,343,000.
Mountain Home Air Force Base, Idaho, $2,644,000.
Myrtle Beach Air Force Base, South Carolina, $2,694,000.
Nellis Air Force Base, Nevada, $16,950,000.
Seymour-Johnson Air Force Base, North Carolina, $2,950,000.
Shaw Air Force Base, South Carolina, $3,790,000.

UNITED STATES AIR FORCE ACADEMY

United States Air Force Academy, Colorado, $4,635,000.

AIR NATIONAL GUARD

McEntire Air National Guard Base, South Carolina, $230,000.
Selfridge Air National Guard Base, Michigan, $2,578,000.

OUTSIDE THE UNITED STATES

MILITARY AIRLIFT COMMAND

Rhine-Main Air Base, Germany, $9,350,000.

PACIFIC AIR FORCES

Kadena Air Base, Japan, $4,799,000.
Kunsan Air Base, Korea, $6,648,000.
Osan Air Base, Korea, $7,515,000.
Various Locations, $2,800,000.

STRATEGIC AIR COMMAND

Andersen Air Force Base, Guam, $1,120,000.

TACTICAL AIR COMMAND

Howard Air Force Base, Canal Zone, $718,000.

UNITED STATES AIR FORCES IN EUROPE

Germany, Various Locations, $7,847,000.
United Kingdom, Various Locations, $1,518,000.
Various Locations, $26,648,000.

EMERGENCY CONSTRUCTION

SEC. 302. The Secretary of the Air Force may establish or develop Air Force installations and facilities by proceeding with construction made necessary by changes in Air Force missions and responsibilities which have been occasioned by (1) unforeseen security considerations, (2) new weapons developments, (3) new and unforeseen research and development requirements, (4) improved production schedules, or (5) revisions in the tasks or functions assigned to a military installation or facility or for environmental considerations, if the Secretary of Defense determines that deferral of such construction for inclusion in the next Military Construction Authorization Act would be inconsistent with interests of national security and, in connection therewith, may acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of $20,000,000. The Secretary of the Air Force, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire upon the date of enactment of the Military Construction Authorization Act for fiscal year 1980, except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to such date.

MINOR CONSTRUCTION

SEC. 303. The Secretary of the Air Force is authorized to accomplish minor construction projects under section 2674 of title 10, United States Code, in the amount of $30,721,000.

TITLE IV—DEFENSE AGENCIES

AUTHORIZED CONSTRUCTION PROJECTS FOR THE DEFENSE AGENCIES

SEC. 401. The Secretary of Defense may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, for defense agencies for the following acquisition or construction:

Defense Property Disposal Office, Indianapolis, Indiana, $1,353,000.
Defense Property Disposal Office, Jacksonville, Florida, $811,000.
Defense Property Disposal Office, Keesler Air Force Base, Mississippi, $611,000.
Defense Property Disposal Office, McClellan Air Force Base, California, $1,533,000.
Defense Property Disposal Office, Pensacola, Florida, $558,000.
Defense Property Disposal Office, Selfridge Air National Guard Base, Michigan, $1,497,000.

DEFENSE MAPPING AGENCY

Defense Mapping Agency Aerospace Center, St. Louis Air Force Station, Missouri, $1,130,000.

DEFENSE NUCLEAR AGENCY

Armed Forces Radiobiology Research Institute, Bethesda, Maryland, $6,300,000.

NATIONAL SECURITY AGENCY

Fort George G. Meade, Maryland, $2,850,000.

OFFICE OF THE SECRETARY OF DEFENSE

Classified Activity, Fort Belvoir, Virginia, $9,200,000.

OUTSIDE THE UNITED STATES

DEFENSE LOGISTICS AGENCY

Defense Property Disposal Office, Nuremberg, Germany, $870,000.

INSIDE THE UNITED STATES

DEFENSE LOGISTICS AGENCY

Defense Construction Supply Center, Columbus, Ohio, $529,000.
Defense Depot, Mechanisburg, Pennsylvania, $1,096,000.
Defense Depot, Memphis, Tennessee, $3,555,000.
Defense Depot, Ogden, Utah, $1,573,000.
Defense Depot, Tracy, California, $1,927,000.
Defense Fuel Support Point, Charleston, South Carolina, $532,000.
Defense Fuel Support Point, Norwalk, California, $1,488,000.
Defense Property Disposal Office, Fort Belvoir, Virginia, $755,000.
Defense Property Disposal Office, Fort Hood, Texas, $555,000.
Defense Property Disposal Office, Fort Lewis, Washington, $1,033,000.
Defense Property Disposal Office, Fort Meade, Maryland, $546,000.
Defense Property Disposal Office, Subic Bay, Philippines, $584,000.

OFFICE OF THE SECRETARY OF DEFENSE

DEPARTMENT OF DEFENSE OFFICE OF DEPENDENTS SCHOOLS

Nuremberg, Germany, $4,545,000.
Pattonville Housing Area, Ludwigsburg, Germany, $6,415,00.
Pioneer Kaserne, Hanau, Germany, $6,297,000.
Ramstein Air Base, Germany, $9,160,000.
Zweibruecken Air Base, Germany, $7,263,000.

NORTH ATLANTIC TREATY ORGANIZATION INFRASTRUCTURE

Various Locations: For the United States share of the cost of multilateral programs for the acquisition or construction of military facilities and installations (including international military headquarters) for the collective defense of the North Atlantic Treaty Area, $120,000,000. Within thirty days after the end of each calendar-year quarter, the Secretary of Defense shall furnish to the Committees on Armed Services and on Appropriations of the Senate and House of

Representatives a description of the obligations incurred by the United States for the United States share of the cost of such multilateral programs.

EMERGENCY CONSTRUCTION

SEC. 402. The Secretary of Defense may establish or develop installations and facilities which he determines to be vital to the security of the United States and, in connection therewith, may acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of $10,000,000. The Secretary of Defense, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a final decision to implement, of the cost of construction of any public works undertaken under this section, including real estate actions pertaining thereto.

MINOR CONSTRUCTION

SEC. 403. The Secretary of Defense is authorized to accomplish minor construction projects under section 2674 of title 10, United States Code, in the amount of $13,044,000.

TITLE V—MILITARY FAMILY HOUSING

AUTHORIZATION TO CONSTRUCT OR ACQUIRE HOUSING

SEC. 501. (a) The Secretary of Defense, or his designee, is authorized to construct or acquire sole interest in existing family housing units in the numbers and at the locations hereinafter named, but no family housing construction shall be commenced at any such location in the United States until the Secretary shall have consulted with the Secretary of Housing and Urban Development as to the availability of suitable private housing at such location. If agreement cannot be reached with respect to the availability of suitable private housing at any location, the Secretary of Defense shall notify the Committees on Armed Services of the Senate and the House of Representatives, in writing, of such difference of opinion, and no contract for construction at such location shall be entered into for a period of thirty days after such notification has been given. This authority shall include the authority to acquire land, and interests in land, by gift, purchase, exchange of Government-owned land, or otherwise.

(b) With respect to the family housing units authorized to be constructed by this section, the Secretary of Defense is authorized to acquire sole interest in privately owned or Department of Housing and Urban Development held family housing units in lieu of constructing all or a portion of the family housing authorized by this section, if he or his designee, determines such action to be in the best interests of the United States, but any family housing units acquired under authority of this subsection shall not exceed the cost limitations specified in this section for the project nor the limitations on size specified in section 2684 of title 10, United States Code. In no case may family housing units be acquired under this subsection through the exercise of eminent domain authority, and in no case may family housing units other than those authorized by this section be acquired in lieu of construction unless the acquisition of such units is hereafter specifically authorized by law.

(c) Family housing units and mobile home facilities:

National Guard Advisory Detachments, Alaska, three units, $137,000.

Naval Facility, Centerville Beach, California, twenty-eight units, $1,509,000.

Marine Corps Air Station, El Toro, California, two hundred sixteen units, $9,396,000.

Fort Ord, California, five hundred sixty units, $24,432,000, and fifty mobile home spaces, $690,000.

Marine Corps Base, Twentynine Palms, California, one hundred units, $4,307,000.

Fort Stewart, Georgia, one hundred and thirty-two units, $4,600,000.

Naval Submarine Support Base, Kings Bay, Kingsland, Georgia, two hundred and fifty units, $11,505,000.

Mountain Home Air Force Base, Idaho, fifty mobile home spaces, $445,000.

Fort Polk, Louisiana, one hundred and sixty units, $7,300,000.

Naval Communications Unit, Cutler, Maine, twenty units, $1,355,000.

Naval Air Station, Fallon, Nevada, seventy units, $2,820,000.

Nuclear Power Training Unit, Ballston Spa, New York, one hundred units, $5,541,000.

Defense Attaché Office, Brasilia, Brazil, two units, $322,000.

Defense Installations, Cario, Egypt, twenty-one units, $2,950,000, to be funded by use of excess foreign currency when so provided in Department of Defense Appropriation Acts.

Defense Attaché Office, Helsinki, Finland, six units, $670,000.

Defense Attaché Office, Kuala Lumpur, Malaysia, two units, $170,000.

Defense Attaché Office, Oslo, Norway, five units, $476,000.

Defense Attaché Office, Manila, Philippines, six units, $502,000.

Defense Attaché Office, Stockholm, Sweden, four units, $398,000.

Defense Attaché Office, Kinshasa, Zaire, four units, $350,000.

(d) Any of the amounts specified in this section may, at the discretion of the Secretary of Defense, or his designee, be increased by 10 per centum, if he determines that such increase (1) is required for the sole purpose of meeting unusual variations in cost, and (2) could not have been reasonably anticipated at the time such estimate was submitted to the Congress. The amounts authorized include the costs of shades, screens, ranges, refrigerators, and all other installed equipment and fixtures, the cost of the family housing unit, design, supervision, inspection, overhead, land acquisition, site preparation, and installation of utilities.

IMPROVEMENT OF EXISTING QUARTERS

SEC. 502. (a) The Secretary of Defense, or his designee, is authorized to accomplish alterations, additions, expansions, or extensions, not otherwise authorized by law, to exceed—

(1) for the Department of the Army, $13,786,000, of which $1,000,000 shall be available only for energy conservation projects;

(2) for the Department of the Navy, $10,768,000, of which $1,725,000 shall be available only for energy conservation projects;

(3) for the Department of the Air Force, $31,740,000, of which $5,807,000 shall be available only for energy conservation projects; and

(4) for the Defense Mapping Agency, $86,000.

(b) Section 610(a) of the Military Construction Authorization Act, 1968 (Public Law 90–110, 81 Stat. 305), is amended by striking out "$15,000" in the first sentence and inserting in lieu thereof "$20,000".

(c) The Secretary of Defense, or his designee, within the amounts specified in subsection (a) of this section, is authorized to accomplish repairs and improvements to existing public quarters in amounts in excess of the $20,000 limitation prescribed in section 610(a) of the Military Construction Authorization Act, 1968 (Public Law 90–110, 81 Stat. 305), as follows:

Elmendorf Air Force Base, Alaska, two hundred and sixty-four units, $2,904,000.

Marine Barracks, Washington, District of Columbia, one unit, $80,000.

Marine Corps Development and Education Command, Quantico, Virginia, forty-eight units, $1,117,400.

Ramstein Air Base (Vogelweh-Landstuhl), Federal Republic of Germany, ninety-six units, $1,680,200.

Ramstein Air Base, Federal Republic of Germany, three hundred and sixty units, $8,151,600.

Rhein-Main Air Base, Federal Republic of Germany, four hundred and twenty-four units, $9,215,000.

Vilseck, Federal Republic of Germany, eight substandard units, $244,500.

LEASING OF FAMILY HOUSING

SEC. 503. (a) Section 2686(c) of title 10, United States Code, relating to leases for military family housing, is amended—

(1) by striking out "$280" and "$450" in paragraph (1) and inserting in lieu thereof "$300" and "$475", respectively; and

(2) by striking out "$350" and "$450" in paragraph (2) and inserting in lieu thereof "$370" and "$475", respectively.

(b) Section 2675(d) of title 10, United States Code, relating to leases in foreign countries, is amended—

(1) by striking out "$435" and "$760" in the first sentence of paragraph (1) and inserting in lieu thereof "$485" and "$850", respectively; and

(2) by striking out "$15,000" in paragraph (2) and inserting in lieu thereof "$18,000".

SETTLEMENT OF CLAIMS

SEC. 504. (a) Notwithstanding the provisions of any other law, the Secretary of the Air Force is authorized to settle claims regarding construction of public quarters at Wright-Patterson Air Force Base, Ohio, in the amount of $500,000 plus interest from December 6, 1977, at the rate established by the Secretary of the Treasury pursuant to Public Law 92–41 (85 Stat. 97).

(b) Notwithstanding the provisions of any other public law, the Secretary of the Navy is authorized to settle claims regarding construction of public quarters at the Naval Complex, South Philadelphia, Pennsylvania, in the amount of $1,750,000.

AUTHORIZATION OF APPROPRIATIONS

SEC. 505. There is authorized to be appropriated for fiscal year 1979 in a Military Construction Appropriation Act for use by the Secretary of Defense, or his designee, for military family housing as authorized by law for the following purposes:

(1) For construction of, or acquisition of sole interest in, family housing, including demolition, authorized improvements to public quarters, minor construction, relocation of family housing, rental guarantee payments, and planning, an amount not to exceed $139,105,000.

(2) For support of military family housing, including operating expenses, leasing, maintenance of real property, payments of principal and interest on mortgage debts incurred, payment to the Commodity Credit Corporation, and mortgage insurance premiums authorized under section 222 of the National Housing Act (12 U.S.C. 1715m), an amount not to exceed $1,562,500,000.

HOUSING FOR NAVAL STATION, ADAK, ALASKA

SEC. 506. Section 501(c) of the Military Construction Authorization Act, 1978, is amended by striking out "$8,500,000" in the item relating to the Naval Station, Adak, Alaska, and inserting in lieu thereof "$10,500,000".

TITLE VI—AUTHORIZATION OF APPROPRIATIONS AND ADMINISTRATIVE PROVISIONS

WAIVER OF RESTRICTIONS

SEC. 601. The Secretary of each military department may proceed to establish or develop installations and facilities under this Act without regard to section 3648 of the Revised Statutes, as amended (31 U.S.C.

529), and sections 4774 and 9774 of title 10, United States Code. The authority to place permanent or temporary improvements on land includes authority for surveys, administration, overhead, planning, and supervision incident to construction. That authority may be exercised before title to the land is approved under section 355 of the Revised Statutes, as amended (40 U.S.C. 255), and even though the land is held temporarily. The authority to acquire real estate or lands includes authority to make surveys and to acquire land and interests in land (including temporary use), by gift, purchase, exchange of Government-owned land, or otherwise.

AUTHORIZATION OF APPROPRIATIONS

SEC. 602. There are authorized to be appropriated for fiscal year 1979 such sums as may be necessary for the purposes of this Act, but appropriations for public works projects authorized by titles I, II, III, IV, and V, shall not exceed—

(1) for title I: inside the United States $487,853,000; outside the United States $228,026,000; minor construction $35,365,000; for a total of $751,244,000.

(2) for title II: inside the United States $690,885,000; outside the United States $59,763,000; minor construction $39,662,000; for a total of $790,310,000.

(3) for title III: inside the United States, $423,059,000; outside the United States, $68,963,000; minor construction $30,721,000; for a total of $522,743,000.

(4) for title IV: a total of $217,610,000, including $13,044,000 for minor construction.

(5) for title V: military family housing, $1,701,605,000.

COST VARIATIONS

SEC. 603. (a) OVERALL TITLE TOTAL LIMITATION.—Notwithstanding the provisions of subsections (a), (b), (c), and (g), the total cost of all construction and acquisition in each of titles I, II, III, and IV may not exceed the total amount authorized to be appropriated in that title.

(b) VARIATIONS IN INSTALLATION TOTALS—UNUSUAL VARIATIONS IN COST.—Except as provided in subsections (c) and (d), any of the amounts specified in titles I, II, III, and IV of this Act (other than in sections 103, 203, 303, and 403) may, at the discretion of the Secretary of the military department or Director of the defense agency concerned, be increased by 5 percentum when inside the United States (other than Alaska or Hawaii), and by 10 per centum when outside the United States or in Alaska or Hawaii, if he determines that such increase (1) is required for the sole purpose of meeting unusual variations in cost, and (2) could not have been reasonably anticipated at the time such estimate was submitted to the Congress.

(c) VARIATIONS IN INSTALLATION TOTALS—ONLY ONE PROJECT AT AN INSTALLATION.—When the amount named for any construction or acquisition in title I, II, III, or IV of this Act involves only one project at any military installation and the Secretary of the military department or Director of the defense agency concerned determines that the amount authorized must be increased by more than the applicable percentage prescribed in subsection (b), he may proceed with such construction or acquisition if the amount of the increase does not exceed by more than 25 per centum the amount named for such project by the Congress.

(d) VARIATIONS IN INSTALLATION TOTALS—REPORTS BY THE SECRETARY OF DEFENSE.—When the Secretary of Defense determines that any amount named in title I, II, III, or IV of this Act must be exceeded by more than the percentages permitted in subsections (b) and (c) to accomplish authorized construction or acquisition, the Secretary of the military department or Director of the defense agency concerned may proceed with such construction or acquisition after a written report of the facts relating to the increase of such amount, including a statement of the reasons for such increase, has been submitted to the Committees on Armed Services of the Senate and House of Representatives, and either (1) thirty days have elapsed from the date of submission of such report, or (2) both committees have indicated approval of such construction or acquisition. Notwithstanding the provisions in prior Military Construction Authorization Acts, the provisions of this subsection shall apply to such prior Acts.

(e) COST AND SCOPE VARIATIONS OF INDIVIDUAL PROJECTS; REPORTS TO CONGRESS.—No individual project authorized under title I, II, III, or IV of this Act for any specifically listed military installation for which the current working estimate is $400,000 or more may be placed under contract if—

(1) the approved scope of the project is reduced in excess of 25 per centum; or

(2) the current working estimate, based upon bids received, for the construction of such project exceeds by more than 25 per centum the amount authorized for such project by the Congress;

until a written report of the facts relating to the reduced scope or increased cost of such project, including a statement of the reasons for reduction in scope or increase in cost, has been submitted to the Committees on Armed Services of the Senate and House of Representatives, and either thirty days have elapsed from the date of submission of such report, or both committees have indicated approval of such reduction in scope or increase in cost, as the case may be.

(f) ANNUAL REPORT TO CONGRESS.—The Secretary of Defense shall submit an annual report to the Congress identfying each individual project (other than a project authorized under section 103, 203, 303, or 403) which has been placed under contract in the preceding twelve-month period and with respect to which the then current working estimate of the Department of Defense based upon bids received for such project exceeded the amount authorized by the Congress for that project by more than 25 per centum. The Secretary shall a'so include in such report each individual project with respect to which the scope was reduced by more than 25 per centum in order to permit contract award within the available authorization for such project. Such report shall include all pertinent cost information for each individual project, including the amount in dollars and percentage by which the current working estimate based on the contract price for the project exceeded the amount authorized for such project by the Congress.

(g) COST AND FLOOR AREA VARIATIONS—SOLAR ENERGY.—The Secretary of Defense shall encourage the utilization of solar energy as a source of energy for projects authorized by this Act where utilization of solar energy would be practical and economically feasible. In order to equip any project authorized by this Act with solar heating equipment, solar cooling equipment, or both solar heating and solar cooling equipment, the Secretary of Defense may authorize increases in the cost limitations or floor area limitations for such project by such amounts as may be necessary for such purpose. Any increase under this section in the cost or floor area of a project authorized by this Act shall be in addition to any other increase in such cost or variation in floor area limitations authorized by this or any other Act.

(h) COST VARIATIONS—MINOR CONSTRUCTION.—(1) The first sentence of section 2674 (b) of title 10, United States Code, relating to minor construction projects, is amended to read as follows: "This section does not authorize a project costing more than $500,000, except that the cost authorized for a project may be increased above $500,000 by not more than 10 percent of the original approved cost of such project if the Secretary of Defense determines—

"(1) that such an increase is required for the sole purpose of meeting unusual variations in cost and

"(2) that such variations in cost could not have been reasonably anticipated at the time the project was originally approved.".

(2) The amendment made by this subsection shall take effect on October 1, 1978.

CONSTRUCTION SUPERVISION

SEC. 604. Contracts for construction made by the United States for performance within the United States and its possessions under this Act shall be executed under the jurisdiction and supervision of the Corps of Engineers, Department of the Army; the Naval Facilities Engineering Command, Department of the Navy; or such other department or Government agency as the Secretaries of the military departments recommend and the Secretary of Defense approves to assure the most efficient, expeditious, and cost-effective accomplishment of the construction herein authorized. The Secretaries of the military departments shall report annually to the President of the Senate and Speaker of the House of Representatives a breakdown of the dollar value of construction contracts completed by each of the several construction agencies selected together with the design, construction supervision, and overhead fees charged by each of the several agents in the execution of the assigned construction. Further, such contracts (except architect and engineering contracts which, unless specifically authorized by the Congress shall continue to be awarded in accordance with presently established procedures, customs, and practice) shall be awarded, insofar as practicable, on a competitive basis to the lowest responsible bidder, if the national security will not be impaired and the award is consistent with chapter 137 of title 10, United States Code. The Secretaries of the military departments shall report annually to the President of the Senate and Speaker of the House of Representatives with respect to all contracts awarded on other than a competitive basis to the lowest responsible bidder. Such reports shall also show, in the case of the ten architect-engineering firms which, in terms of total dollars, were awarded the most business; the names of such firms; the total number of separate contracts awarded each firm; and the total amount paid or to be paid in the case of each such action under all such contracts awarded such firm.

REPEAL OF PRIOR AUTHORIZATIONS; EXCEPTIONS

SEC. 605. (a) As of October 1, 1979, all authorizations for military public works, including family housing, to be accomplished by the Secretary of a military department in connection with the establishment or development of installations and facilities, and all authorizations for appropriations therefor, that are contained in titles I, II, III, IV, and V of the Military Construction Authorization Act, 1978 (Public Law 95-82; 91 Stat. 358), and all such authorizations contained in Acts approved before August 1, 1977, and not superseded or otherwise modified by a later authorization are repealed except—

(1) authorizations for public works and for appropriations therefor that are set forth in those Acts in the titles that contain the general provisions and

(2) authorizations for public works projects as to which appropriated funds have been obligated for construction contracts, land acquisition, or payments to the North Atlantic Treaty Organization, in whole or in part, before October 1, 1979, and authorizations for appropriations therefor.

(b) Notwithstanding the repeal provisions

of subsection (a) of this section and section 605 of the Military Construction Authorization Act, 1978 (Public Law 95-82; 91 Stat. 358), authorizations for the following items shall remain in effect until October 1, 1980:

(1) Medical Facility construction in the amount of $2,014,000 at Fort Drum, New York, authorized in section 101 of the Military Construction Authorization Act, 1977 (Public Law 94-431; 90 Stat. 1349).

(2) Barracks Building construction in the amount of $5,100,000 at Fort Drum, New York, authorized in section 101 of the Military Construction Authorization Act, 1977 (Public Law 94-431; 90 Stat. 1349).

(3) Effluent Land Irrigation System construction in the amount of $6,933,000 at Fort Ord, California, authorized in section 101 of the Military Construction Authorization Act, 1977 (Public Law 94-431; 90 Stat. 1349).

(4) Sulphuric Acid Regenerator construction in the amount of $15,238,000 at the Sunflower Army Ammunition Plant, Kansas, authorized in section 101 of the Military Construction Authorization Act, 1977 (Public Law 94-431; 90 Stat. 1350).

(5) Cold Storage Warehouse construction in the amount of $1,215,000 at Fort Dix, New Jersey, authorized in section 101 of the Military Construction Authorization Act, 1973 (Public Law 92-545; 86 Stat. 1135) and extended in section 605(3)(B) of the Military Construction Authorization Act, 1975 (Public Law 93-552; 88 Stat. 1762), and in section 605(b)(2) of the Military Construction Authorization Act, 1977 (Public Law 94-431; 90 Stat. 1363).

(6) Solid Waste System construction in the amount of $300,000 at the Naval Submarine Base, New London, Connecticut, authorized in section 201 of the Military Construction Authorization Act, 1977 (Public Law 94-431; 90 Stat. 1352).

(7) Naval Historical Center construction in the amount of $1,300,000 at Headquarters, Naval District of Washington, District of Columbia, authorized in section 201 of the Military Construction Authorization Act, 1977 (Public Law 94-431; 90 Stat. 1352).

UNIT COST LIMITATIONS

SEC. 606. None of the authority contained in titles I, II, III, and IV of this Act shall be deemed to authorize any building construction projects inside the United States in excess of a unit cost to be determined in proportion to the appropriate area construction cost index, based on the following unit cost limitations where the area construction index is 1.0:

(1) $45 per square foot for permanent barracks; or

(2) $48 per square foot for bachelor officer quarters;

unless the Secretary of Defense, or his designee, determines that, because of special circumstances, application to such project of the limitations on unit cost contained in this section is impracticable. Notwithstanding the limitations contained in prior Military Construction Authorization Acts on unit costs, the limitations on such costs contained in this section shall apply to all prior authorizations for such construction not heretofore repealed and for which construction contracts have not been awarded by the date of enactment of this Act.

TITLE VII—GUARD AND RESERVE FORCES FACILITIES

AUTHORIZATION FOR FACILITIES

SEC. 701. Subject to chapter 133 of title 10, United States Code, the Secretary of Defense may establish or develop additional facilities for the Guard and Reserve Forces, including the acquisition of land therefor, but the cost of such facilities shall not exceed the following amounts:

(1) For the Department of the Army—

(A) for the Army National Guard of the United States, $47,300,000; and

(B) for the Army Reserve, $27,400,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserves, $19,350,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $39,350,000; and

(B) for the Air Force Reserve, $11,400,000.

WAIVER OF CERTAIN RESTRICTIONS

SEC. 702. The Secretary of Defense may establish or develop installations and facilities under this title without regard to section 3648 of the Revised Statutes, as amended (31 U.S.C. 529), and sections 4774 and 9774 of title 10, United States Code. The authority to place permanent or temporary improvements on land includes authority for surveys, administration, overhead, planning, and supervision incident to construction. That authority may be exercised before title to the land is approved under section 355 of the Revised Statutes, as amended (40 U.S.C. 255), and even though the land is held temporarily. The authority to acquire real estate or land includes authority to make surveys and to acquire land and interests in land (including temporary use), by gift, purchase, exchange of Government-owned land, or otherwise.

TITLE VIII—GENERAL PROVISIONS

ADVANCE REPORTS TO CONGRESS OF CERTAIN ADVANCE PLANNING AND CONSTRUCTION DESIGN COSTS

SEC. 801. Section 612 of the Military Construction Authorization Act, 1967 (31 U.S.C. 723a), relating to advance planning and design projects, is amended by striking out "$225,000" and inserting in lieu thereof "$250,000".

TRANSMISSION OF ANNUAL MILITARY CONSTRUCTION AUTHORIZATION REQUEST TO CONGRESS

SEC. 802. (a)(1) Chapter 131 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 2212. Transmission of annual military construction authorization request

"The Secretary of Defense shall transmit to the Congress the annual request for military construction authorization for a fiscal year during the first ten days after the President transmits to the Congress the Budget for such fiscal year pursuant to section 201 of the Budget and Accounting Act, 1921 (31 U.S.C. 11).".

(2) The table of sections at the beginning of chapter 131 of title 10, United States Code, is amended by adding at the end thereof the following new item:

"2212. Transmission of annual military construction authorization request.".

(b) The amendments made by subsection (a) shall apply with respect to fiscal year 1980 and each fiscal year thereafter.

DEVELOPMENT OF SOURCES OF ENERGY ON MILITARY LANDS

SEC. 803. (a) The Secretary of each military department may develop for the use or benefit of the Department of Defense any geothermal energy resource within lands under his jurisdiction other than public lands administered by the Secretary of the Interior.

(b)(1) If the Secretary of a military department determines that it is in the interest of the Government to do so, he may contract, for a period not to exceed thirty years, for the provision and operation of energy production facilities on real property under his jurisdiction and for the purchase of energy produced from such facilities, except that no such contract may be made for the development of energy resources derived from nuclear or fossil fuel sources.

(2) Any contract under paragraph (1) may be made only—

(A) after the approval of the Secretary of Defense of the proposed contract; and

(B) after the Committees on Armed Services of the Senate and House of Representatives have been notified of the terms of the proposed contract, including the dollar value of such contract and the amount of energy to be delivered to the Government under such contract.

(c) This section shall take effect on October 1, 1978.

REQUIREMENT FOR USE OF SOLAR ENERGY SYSTEMS

SEC. 804. (a) Effective ninety days after the date of the enactment of this Act, the Secretary of Defense shall require that 25 per centum, based on the estimated dollar value of the construction cost, of all new facilities except family housing that are placed under design shall include solar energy systems to the extent that engineering analyses demonstrate is cost effective.

(b) Effective on the date of the enactment of this Act, the Secretary of Defense shall require that all family housing authorized for construction shall include solar energy systems to the extent that engineering analyses demonstrate is cost effective.

(c) For the purposes of this section, a solar energy system shall be considered to be cost effective if the original investment cost differential can be recovered over the expected life of the facility.

BASE CLOSURE AND REALINEMENT AMENDMENT

SEC. 805. Clause (B) of paragraph (1) of section 2687(d) of title 10, United States Code, is amended by striking out "five hundred" and inserting in lieu thereof "three hundred".

REAL ESTATE, PEASE AIR FORCE BASE

SEC. 806. No official acting on behalf of the Department of Defense or any of the military departments shall purchase, or directly or indirectly negotiate for the purchase of, any of the land contiguous to the existing boundaries of Pease Air Force Base, New Hampshire, without the express authorization of the Congress.

LAND CONVEYANCE, MEMPHIS, TENNESSEE

SEC. 807. (a) The Secretary of the Navy (hereinafter in this section referred to as the "Secretary") is authorized to convey to Plough, Inc., a Delaware corporation with principal offices in the city of Memphis, Tennessee, all right, title, and interest of the United States in and to the land and improvements which comprise the Marine Corps Reserve Center, Memphis, Tennessee. Such conveyance shall be made subject to such terms and conditions as the Secretary considers appropriate, but may not be made until a replacement facility for such Reserve Center is available in accordance with subsection (b).

(b)(1) In consideration for such conveyance by the Secretary under subsection (a), Plough Inc.—

(A) shall make available to the Secretary funds for the purchase of land and the purchase or making of improvements on such land which are acceptable to the Secretary as a replacement facility for such Marine Corps Reserve Center; or

(B) shall convey to the United States unencumbered fee simple title to land in the area of Memphis, Tennessee, which contains improvements acceptable to the Secretary as a replacement facility for such Marine Corps Reserve Center.

(2) In addition, Plough Inc., as a further condition of the conveyance under subsection (a), shall pay to the Secretary the cost of the relocation of the such Marine Corps Reserve Center from the facility on the land conveyed by the Secretary under subsection (a) to the facility on the land acquired by the Secretary under this subsection.

(c) The replacement facility to be provided under subsection (b) shall be designed to meet the current and foreseeable future re-

quirements of the Marine Corps Reserve in and around Memphis, Tennessee, as determined by the Secretary.

(d) Funds made available under subsection (b) (1) and (2), and land conveyed under subsection (b)(1) shall be subject to terms and conditions which shall be agreed upon by the Secretary and Plough Inc. and which the Secretary considers to be in the public interest. If the cost of the replacement facility is less than the replacement cost or fair market value, whichever is greater of the existing facility of such Marine Corps Reserve Center, Plough Inc. shall pay the amount of the difference between such costs to the United States, and such amount shall be deposited in the Treasury as miscellaneous receipts.

(e) The exact acreage and legal description of any land conveyed under this section shall be determined by surveys which are satisfactory to the Secretary.

(f) The Secretary is authorized to accept any land conveyed, or any funds made available, to the United States under subsection (b), and any such land shall be administered by the Secretary and any such funds may be obligated and disbursed by the Secretary. The authority under this section to place improvements on land (including site preparation) may be exercised before title to the land is approved under section 355 of the Revised Statutes (40 U.S.C. 255).

LAND CONVEYANCE, NICEVILLE, FLORIDA

SEC. 808. (a) Subject to subsection (b), the Secretary of the Air Force (hereinafter in this section referred to as the "Secretary") is authorized to convey to the city of Niceville, Florida (hereinafter in this section referred to as the "City") all right, title, and interest of the United States in and to the land described in subsection (c).

(b)(1) The conveyance authorized in subsection (a) shall be made only if not later than one year after the date of the enactment of this Act, the City—

(A) conveys land to the United States which has a fair market value which is not less than the fair market value of the land authorized to be conveyed in subsection (a);

(B) pays the United States an amount of money equal to such fair market value; or

(C) conveys land and pays an amount of money to the United States which in total equals an amount which is not less than such fair market value.

(2) If such land is used for any purpose other than a cemetery which is operated on a nonprofit basis, title to such land shall revert to the United States.

(3) The Secretary shall include in any instrument making such conveyance terms which will carry out the provisions of paragraph (2).

(c) The land referred to in subsection (a) is a portion of Eglin Air Force Base, Florida, containing 48.59 acres, more or less.

(d) The exact acreage and legal description of any land conveyed under this section shall be determined by surveys which are satisfactory to the Secretary.

LAND CONVEYANCE, OKALOOSA COUNTY, FLORIDA

SEC. 809. (a) Subject to subsection (b), the Secretary of the Air Force (hereinafter in this section referred to as the "Secretary") is authorized to convey to the Air Force Enlisted Men's Widows and Dependents Home Foundation, Incorporated (hereinafter in this section referred to as the "Foundation"), of Washington, District of Columbia, all right, title, and interest of the United States in and to the land described in subsection (c). Such conveyance shall be made subject to such terms and conditions as the Secretary considers appropriate to carry out the provisions of this section.

(b)(1) In consideration for such conveyance made by the Secretary under subsection (a), the Foundation shall—

(A) convey land to the United States which has a fair market value which is not less than the fair market value of the land authorized to be conveyed in subsection (a);

(B) pay the United States an amount of money equal to such fair market value; or

(C) convey land and pay an amount of money to the United States which in total equals an amount which is not less than such fair market value.

(2) If the land conveyed under subsection (a) is not used as a permanent location for facilities of the Foundation before the end of the ten-year period beginning on the date on which such land is conveyed, title to such land shall revert to the United States.

(3) If such reversion occurs, the Secretary shall pay to the Foundation an amount of money equal to 50 per centum of the fair market value of the land reverting to the United States. Such fair market value shall be determined as of the date on which such land was conveyed to the Foundation by the Secretary.

(4) No construction shall be started on such land until plans for such construction are approved by the Secretary.

(5) Notwithstanding sections 2733 of title 10, United States Code, sections 1346 and 2672 of title 28, United States Code, and section 715 of title 32, United States Code, the United States shall not be liable to the Foundation for any damage to, or diminution in value of, the land conveyed pursuant to this section or improvements thereon, if such damage or diminution of value is caused by any activity of the United States at Eglin Air Force Base.

(c) The land referred to in subsection (a) is a portion of Eglin Air Force Base, Florida, composed of two parcels containinog a total of seventy-nine acres.

(d) The exact acreage and legal description of any land conveyed under this section shall be determined by surveys which are satisfactory to the Secretary.

LAND CONVEYANCE, KANSAS CITY, MISSOURI

SEC. 810. (a) Subject to subsection (b), the Secretary of the Army (hereinafter in this section referred to as the "Secretary") is authorized to convey to the Central-Wyandotte Development Corp. (hereinafter in this section referred to as the "Corporation") of Kansas City, Missouri, subject to such terms and conditions as the Secretary considers appropriate, all right, title, and interest of the United States in and to the following lots, including all improvements on such lots, located in block 4, J. H. McGee's Addition, Kansas City, Jackson County, Missouri:

(1) The south 37½ feet of lot 47.

(2) Lot 48.

(3) The north 17.34 feet of lot 49.

(b)(1) In consideration for such conveyance by the Secretary under subsection (a), the Corporation shall convey to the United States unencumbered fee simple title to the following lots located in block 4, J. H. McGee's Addition, Kansas City, Jackson County, Missouri:

(A) The south 4.84 feet of lot 50.

(B) Lots 51 and 52.

(2) The Corporation shall make improvements on such lots in accordance with requirements of, and subject to the approval of, the Secretary.

(c) If the combined fair market value of the lots to be conveyed to the United States by the Corporation and the improvements made on such lots by the Corporation (and approved by the Secretary) is less than the fair market value of the lots conveyed by the Secretary to the Corporation, the Corporation shall pay the amount of the difference in such fair market values to the Secretary, and such amount shall be deposited in the Treasury as miscellaneous receipts.

(d) The cost of any survey necessary to complete any conveyance under this section shall be paid by the Corporation.

(e) The Secretary is authorized to accept any land conveyed to the United States under subsection (b), and any such land shall be administered by the Secretary.

LAND CONVEYANCE, LOGAN, UTAH

SEC. 811. (a) Subject to subsection (b), the Secretary of the Army (hereinafter in this section referred to as the "Secretary") is authorized to convey to Utah State University (hereinafter in this section referred to as the "University"), an agency of the State of Utah, all right, title, and interest of the United States in and to improvements located on land which is leased from the University by the United States and which is located on the campus of the University in Logan, Cache County, Utah.

(b)(1) In consideration for such conveyance by the Secretary under subsection (a), the University shall—

(A) make improvements, for use as a United States Army Reserve Center, on land owned by the University at Eighteenth North Street and Second East Street, North Logan, Cache County, Utah; and

(B) lease to the Secretary, for a period of ninety-nine years and at a nominal amount of rent, the land upon which such improvements are made.

(2) Such improvements shall be made in accordance with requirements of, and subject to the approval of, the Secretary, except that the value of such improvements shall not be less than the fair market value of the existing United States Army Reserve Center on the land described in subsection (a).

(3) Funds for such improvements shall be provided as follows:

(A) The University shall contribute not less than $210,000.

(B) The United States shall contribute all additional funds needed to complete such improvements, not to exceed $501,756, from funds available without fiscal year limitation from the military construction appropriation for the Army Reserve for fiscal year 1978.

LAND CONVEYANCE, HAWAII

SEC. 812. (a) Notwithstanding any other provision of law, the Secretary of the Navy is authorized to convey to the State of Hawaii, subject to the terms and conditions stated in this section and to such other terms and conditions as the Secretary of the Navy considers to be in the public interest, all right, title, and interest of the United States in and to certain land, with improvements thereon, referred to as the Navy Drum Storage Area and as described in subsection (c).

(b) In consideration for the conveyance by the United States of the property described in subsection (c), the State of Hawaii shall pay to the United States an amount which is the greater of (1) the total cost of a replacement facility for the improvements on such property, or (2) the fair market value of the property to be conveyed, as determined by the Secretary of the Navy. The money so paid shall be available for site preparation and construction by the Navy of new storage facilities to replace the Navy Drum Storage Facilities (Ewa Junction), and the Secretary is authorized to accept, hold, obligate, and disburse such money to accomplish such replacement.

(c) The land authorized to be conveyed to the State of Hawaii by subsection (a) is an area of land referred to as the Navy Drum Storage Area and comprising approximately 43.813 acres, including an area designated as the "public works center" and the "naval supply center", together with improvements thereon, as generally depicted on the Real Estate Summary Map, Ewa Junction, Oahu, Hawaii, Department of the Navy (revised December 4, 1975). The exact description and acreage of the land to be conveyed shall be determined by a survey as mutually

agreed upon between the State of Hawaii and the Secretary of the Navy.

EFFECTIVE DATE FOR CONVEYANCES

SEC. 813. Sections 807 through 812 shall take effect on October 1, 1978.

And the Senate agree to the same.

LUCIEN N. NEDZI,
MELVIN PRICE,
CHARLES H. WILSON,
JACK BRINKLEY,
MENDEL J. DAVIS,
ABRAHAM KAZEN, Jr.,
ANTONIO BORJA WON PAT,
G. WILLIAM WHITEHURST,
BOB WILSON,
ROBIN L. BEARD,
Managers on the Part of the House.

JOHN C. STENNIS,
GARY HART,
HENRY M. JACKSON,
HOWARD W. CANNON,
HARRY F. BYRD, Jr.,
SAM NUNN,
PAUL G. HATFIELD,
STROM THURMOND,
JOHN TOWER,
WILLIAM L. SCOTT,
DEWEY F. BARTLETT,
Managers on the Part of the Senate.

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 Senate to the bill (H.R. 12602) to authorize certain construction at military installations for fiscal year 1979, 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:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

COMPARISON OF HOUSE AND SENATE BILLS

As passed by the House, H.R. 12602, provided $4,169,444,000 in new authorization.

The bill as amended by the Senate provided $3,998,432,000 in new authorization.

SUMMARY OF RESOLUTION OF DIFFERENCE

As a result of the conference between the House and Senate on the differences in H.R. 12602, the conferees agreed to a new adjusted authorization for military construction for fiscal year 1979 in the amount of $4,128,312,000.

The Departtment of Defense and the respective military departments had requested a total of $4,247,809,000 for new construction authorization for fiscal year 1979. The action of the conferees therefore decreases the Department's request by $119,497,000 in new authorization.

Total authorization granted, fiscal year 1979

Title I (Army):	
Inside the United States	$487,853,000
Outside the United States	228,026,000
Minor Construction	35,365,000
Subtotal	751,244,000
Title II (Navy):	
Inside the United States	690,885,000
Outside the United States	59,763,000
Minor Construction	39,662,000
Subtotal	790,310,000
Title III (Air Force):	
Inside the United States	423,059,000
Outside the United States	68,963,000
Minor Construction	30,721,000
Subtotal	522,743,000
Title IV (Defense Agencies)	204,566,000
Minor Construction	13,044,000
Subtotal	217,610,000
Title V (Military Family Housing)	1,701,605,000
Title VII (Reserve Forces Facilities):	
Army National Guard	47,300,000
Army Reserve	27,400,000
Naval and Marine Corps Reserve	19,350,000
Air National Guard	39,350,000
Air Force Reserve	11,400,000
Subtotal	144,800,000
Total granted by Titles I, II, III, IV, and VII	4,128,312,000

GENERAL TOPICS

North Atlantic Treaty Organization Construction

The major difference between the House bill and the Senate amendment was the issue of construction in support of the U.S. forces committed to NATO. While the House had supported most of the Defense Department's request for construction in Europe, the report on the House bill contained strong, directive language to pursue funding sources other than unilateral U.S. appropriations. The Senate, on the other hand, substantially reduced the request for construction in Europe by applying the principle that "NATO construction requirements should be provided through NATO resources within NATO-established priorities in accordance with NATO-established criteria."

The conferees agree that to the extent possible construction requirements in support of the NATO operational mission and readiness objectives should be common-funded by the alliance. Therefore, except in rare, unusual situations where full and convincing justification can be supplied, future construction requirements in NATO "for the training of international forces in peacetime and for their operational use in wartime" (quotation from NATO Facts and Figures, NATO Information Service, January 1976, page 150) shall be funded through the NATO Infrastructure program.

However, the conferees also agree that the strict application of this criteria to this fiscal year 1979 bill may result in unacceptable delay to selected, readiness-related projects and accordingly, to provide an orderly transition, a few such projects have been included in the conference report. In the future such projects will be considered only for U.S. unilateral funding (prefinancing) on an exception basis and only with the understanding that prior to the start of construction there must be alliance agreement on recoupment within a reasonable period of time.

Base realignment

The Senate authorized on a contingent basis projects totaling approximately $40 million at eleven installations that have been identified as base closure or realignment candidates. The House bill did not contain such authorization. After careful examination, the conferees agreed to provide contingent authorization for the projects except for a bachelor enlisted quarters at Parris Island Marine Corps Recruit Depot, South Carolina. Therefore, after the final realignment decisions are announced, the projects must be revalidated and the appropriate Committees of Congress advised of the revalidation before any funds are obligated.

In addition, the conferees adopted a provision contained in the Senate amendment that extends base realignment procedures contained in 10 USC 2687 to cover military installations with 300 authorized civilian personnel as compared to the present threshold of 500 authorized civilian personnel.

Energy

The conferees adopted a provision contained in the Senate amendment that requires the incorporation of optimum solar systems in all new military family housing and in 25 percent of all new facilities placed under design. Such systems will be incorporated if they are cost effective; that is, if their cost differential when compared to conventional systems can be amortized over the expected life of the facility. In agreeing to this provision the conferees expect the Department of Defense to proceed with the in-depth study called for by the House Armed Services Committee on the progress and prospects for the cooperative solar energy demonstration programs embarked upon three years ago by the Defense Department and the Energy Research and Development Agency which has now become a part of the Department of Energy.

To encourage geothermal energy resource utilization, the conferees agreed to modified language of a Senate provision authorizing the development of such energy production facilities on lands under military jurisdiction. This authorization does not apply to public lands administered by the Secretary of the Interior. Specifically, the authorization provides for long term contracts up to 30 years, subject to contract approval by the Secretary of Defense and advance notification to the Armed Services Committees of both Houses of the terms of the proposed contract, including dollar value and the amount of energy to be delivered to the government under such contract.

Miscellaneous report requirements

In their respective reports on the bill, both the Senate and the House Armed Services Committees included items of "special emphasis." The conferees hereby endorse the language on items of "special emphasis" found in both reports and, unless some modification to that language is contained in this joint statement of managers, the positions and requirements contained under items of "special emphasis" in both Senate and House reports on the Fiscal Year 1979 Military Construction Authorization bills are concurred in by the conferees.

Minor construction

The House bill contained separate authorizations for minor construction projects in Title VI. The Senate version included such authorizations in the respective titles for the military departments and Department of Defense. In order to provide a comprehensive picture of total military construction authorization for the services and defense agencies the conferees agreed to include minor construction authorizations in the individual titles.

Title I—Army

The House approved new construction authorization in the amount of $762,881,000, including $31,390,000 in minor construction for the Department of the Army. The Senate approved new construction authorization for

the Army in the amount of $632,781,000, including $35,079,000 in minor construction. The conferees agreed to a new total for Title I in the amount of $751,244,000, which is $11,637,000 below the House figure and $118,463,000 above the Senate figure. Among the major items considered in conference and acted upon by the conferees were the following:

European construction

At issue was the $152,856,000 authorization for European construction projects included in the House bill but not contained in the Senate amendment. In concert with the overall policy framework established by the conferees covering construction related to the United States role in the North Atlantic Treaty Organization (NATO), a compromise was reached after thorough discussion to authorize $109,442,000 for the most critical and time-sensitive projects. These projects include POMCUS (Pre-positioned Overseas Material Configured to Unit Sets) mobilization storage facilities, $56,922,000; ammunition storage facilities, $50,781,000; and a CH–47 helicopter flight simulator facility $1,739,000.

Watervliet Arsenal, New York

The House bill authorized $27,021,000 for facilities modernization at Watervliet Arsenal. The Senate version contained $2,000,000 in authorization. Of concern to the Senate conferees was the possible underestimation of cost of the project. The conferees agreed to the House figure. In doing so, notice is served that the Department of the Army is expected to keep costs within the amount authorized.

Energy conversion

The House bill included $6,810,000 for natural gas to fuel oil boiler conversion projects at three installations, Fort Campbell, Kentucky; Fort Riley, Kansas; and Fort Sill, Oklahoma. After it was determined that major studies were underway for the possible development of new total energy systems at these locations, the conferees agreed to defer the projects. In doing so, however, the conferees expect the Department of the Army to expedite the studies so that unnecessary delay is avoided with energy conservation efforts.

Title II—Navy

The House approved $811,495,000, including $39,622,000 in minor construction, in new construction authorization for the Department of the Navy. The Senate approved $753,324,000, including $39,367,000 in minor construction. The conferees agreed to a new total in the amount of $790,310,000. This amount is $21,185,000 below the House figure and $36,986,000 above the Senate figure.

Among the major items considered in the conference were the following:

Orote Point Ammunition Wharf, Guam

The House bill authorized $43,000,000 for a new ammunition wharf complex at Guam. In addition to the fact that the present facility is inadequate, since it has been operating under a safety waiver since 1966, the House conferees expressed concern over the United States' long range facility requirements in the Pacific area. The Senate amendment did not include authorization of the project. The Senate conferees acknowledged the need for a replacement facility but expressed concern about how much of the project could be put under contract in fiscal year 1979. After thorough discussion the conferees agreed to authorize $21,400,000 as the first increment for the facility. This authorization will support dredging, site and road work and breakwater material preparation.

Pearl Harbor Naval Shipyard Cafeteria, Hawaii

The House bill included $590,000 authorization for a cafeteria at the Pearl Harbor Naval Shipyard. The Senate denied authorization suggesting the use of nonappropriated funds. House conferees argued that nonappropriated funds were inappropriate since the cafeteria is primarily for civilian shipyard workers. In accepting the House position the conferees agreed the Department of the Navy should explore lease arrangements that could recoup the appropriated funds used to build the facility.

Keflavik Naval Station, Iceland

In its bill, the House provided $4,230,000 in authorization for airfield lighting improvement work. The Senate reduced the authorization to $2,670,000, recommending that the Icelandic government finance the remaining 40 percent since it also uses the airfield. After full consideration, and in view of the importance of Iceland to the NATO theater, it was determined that it was in the long term national security interests of the United States to provide full authorization.

Title III—Air Force

The House approved $602,558,000, including $30,721,000 in minor construction, in new construction authorization for the Department of the Air Force. The Senate approved $477,027,000, including $30,703,000 for minor construction authorization.

The conferees agreed to a new total in the amount of $522,743,000 which is $79,815,000 below the House figure and $45,716,000 above the Senate figure.

Among the major items resolved in conference were:

European construction

The House bill contained $132,354,000 in authorization for Air Force projects in the NATO area that was not included in the Senate amendment. Following extended discussion, the conferees agreed to authorize $33,163,000 for selected high priority operational projects. These items include aircraft shelters to be located in Germany, $19,131,000; communications upgrade facilities, $8,555,000; tactical control improvements, $3,975,000; air combat training support facilities, $985,000; and aircraft instrument landing modernization, $516,000.

With respect to chemical warfare protective facilities, it was agreed that the Defense Department undertake a study of the requirements for and feasibility of constructing such facilities for all United States military personnel stationed in NATO.

The study should be submitted to the Committees on Armed Services of both Houses by December 1, 1978. The study should include the overall requirements of such construction, the feasibility of the program, the total cost involved, the timetable for completing the program, the prospects for funding the program through the NATO infrastructure program or other common-funding approaches, and the expected protection afforded by such a program.

Air Force Museum Addition, Wright-Patterson Air Force Base, Ohio

In its bill the House authorized $4,660,000 for an addition to the Air Force Museum. The House Armed Services Committee in its report stipulated that this is one-time support effort and it would not consider any future request for military construction funds to expand or improve the museum beyond this addition. The Senate did not provide authorization for the project.

The conferees agreed to defer project authorization for this year with the understanding that the Air Force Museum Foundation should use this time to make every effort to raise private funds for the addition and explore the feasibility of charging admission fees in order to put the museum on a self-sustaining basis.

NCO Open Mess, Rhein-Main Air Force Base, Germany

The House bill contained $3,570,000 in authorization for a new non-commissioned officer open mess at Rhein-Main Air Force Base. The Senate version did not provide authorization.

The conferees agreed to authorize $2,800,000 for the project. In view of the destruction by fire of the officer's club at the same location, the conferees believe this extraordinary situation lends itself to authorizing the use of appropriated funds for the NCO open mess to achieve savings through the sharing of common kitchen-administrative space with the officer's club replacement.

The conferees emphasized that this is a one-time exception to the policy that clubs should be funded from profits generated by the club system.

Title IV—Defense Agencies

The House approved $167,610,000 in new construction authorization for the Defense Agencies, including $13,044,000 for minor construction. The Senate approved $266,900,000, including $13,384,000 for minor construction.

The conferees agreed to a new total of $217,610,000, which is $50,000,000 above the House figure and $49,290,000 below the Senate figure.

The major item resolved by the conference in this title was the authorization level for the NATO infrastructure program. The House bill authorized $70,000,000. The Senate version provided $150,000,000 in authorization.

Consistent with the position that to the extent possible construction in support of NATO operational mission and readiness objectives should be common-funded by the alliance the conferees agreed to an authorization figure of $120,000,000. It is the conferees' view that this authorization represents on the part of the United States a commitment to the alliance to increase the U.S. contribution for the next five-year program to undertake, on a cost-shared basis, the large backlog in Infrastructure requirements.

Title V—Military family housing

The House approved $1,690,100,000 for construction, operation, maintenance and debt payment for military family housing. The Senate approved $1,713,600,000.

The conference agreed to a new total in the amount of $1,701,605,000, which is $11,505,000 above the House figure and $11,995,000 below the Senate figure.

The major issue resolved was housing for Kings Bay, Kingsland, Georgia, the selected site of the fleet ballistic missile submarine tender to be relocated from Naval Station, Rota, Spain. The House authorized 250 units of housing to be funded from fiscal year 1978 Naval complex, Bremerton, Washington, housing project.

The Senate provided authorization of 400 units at $18,500,000.

Following a review of the project's history, the conferees agreed to authorize 250 units at $11,505,000 in new authorization.

Improvements to existing quarters, Marine Barracks, Washington, D.C.

The House authorization included $92,000 to upgrade the electrical system and related work for the Marine Corps Commandant's quarters. The Senate denied authorization because it considered the cost excessive. The conferees, after a review of cost estimates, agreed to new authorization for the work of $80,000.

Title VI—Authorization of appropriations and administrative provisions

This title was modified to include only those provisions that are contained on a recurring basis in the annual military construction bill. Included are the authorizations for appropriations, the cost variation provisions that have been consolidated, the extension of certain project authorizations and reporting requirements to the Congress on all design contracts in excess of $250,000.

Title VII—Guard and Reserve Forces facilities

In its bill the House provided lump sum authorization of $134,800,000 for the Reserve and Guard construction program. The Senate, concerned with the backlog of construction requirements, authorized $154,800,000.

In light of the House Armed Services Committee's requested study of the problem, the conferees agreed to an adjusted figure of $144,800,000.

Title VIII—General provisions

The bill was reorganized to include a new Title VIII which contains non-recurring general provisions. In this instance, six land conveyances have been authorized.

In addition, the conferees agreed to the House provision requiring the Secretary of Defense to transmit the military construction legislative request to the Congress within 10 days after the President transmits the annual budget request.

LUCIEN N. NEDZI,
MELVIN PRICE,
CHARLES H. WILSON,
JACK BRINKLEY,
MENDEL J. DAVIS,
ABRAHAM KAZEN, Jr.,
ANTONIO BORJA WON PAT,
G. WILLIAM WHITEHURST,
BOB WILSON,
ROBIN L. BEARD,
Managers on the Part of the House.

JOHN C. STENNIS,
GARY HART,
HENRY M. JACKSON,
HOWARD W. CANNON,
HARRY F. BYRD, Jr.,
SAM NUNN,
PAUL G. HATFIELD,
STROM THURMOND,
JOHN TOWER,
WILLIAM L. SCOTT,
DEWEY F. BARTLETT,
Managers on the Part of the Senate.

APPOINTMENT OF CONFEREES ON H.R. 11445, AMENDING SMALL BUSINESS ACT AND SMALL BUSINESS INVESTMENT ACT OF 1958

Mr. SMITH of Iowa. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 11445 to amend the Small Business Act and the Small Business Investment Act of 1958, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

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

The Chair hears none, and appoints the following conferees: Messrs. SMITH of Iowa, STEED, DINGELL, CORMAN, ADDABBO, ST GERMAIN, BRECKINRIDGE, LAFALCE, BALDUS, CONTE, STANTON, MCDADE, and BROOMFIELD.

PERMISSION FOR COMMITTEE ON AGRICULTURE TO SIT DURING 5-MINUTE RULE ON TUESDAY, AUGUST 8, 1978

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may sit tomorrow, Tuesday, August 8, 1978, during the session of the House under the 5-minute rule.

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

There was no objection.

EXPRESSING CONDOLENCES OF THE HOUSE ON THE DEATH OF POPE PAUL VI

Mr. WRIGHT. Mr. Speaker, I send to the desk a unanimous consent resolution (H. Res. 1299) and ask for its immediate consideration.

The Clerk read the title of the resolution.

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

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 1299

In the U.S. House of Representatives, That the House of Representatives has heard with profound sorrow of the death of His Holiness Pope Paul VI, a preeminent spiritual leader who devoted his life to championing the cause of human rights, who traveled widely promoting unity among religions, who exerted constant efforts for world peace, and who symbolized moral stability in an era of tumultuous change.

Resolved, That the Secretary of State be requested to transmit a copy of this resolution to the Papal Secretary of State at the Vatican.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to extend their remarks on the resolution just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Texas;

There was no objection.

LET THE PEOPLE HAVE A VOICE

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

Mr. ASHBROOK. Mr. Speaker, I believe the public fully understands that no individual, company, or nation, can continually operate with an unbalanced budget, year after year spending more than it takes in. Bankruptcy is the inevitable result of such unsound operations.

I also believe the public is determined to have Government expenses reduced enough to balance the budget and to create a surplus which should be used to reduce taxes. The overwhelming vote in favor of California's proposition 13 is important because it demonstrates the public's desire for reduction of Government expenses and taxes. It is even more important because that change was achieved not by the act of the legislature but by the vote of the people themselves.

The public should have a voice, not only in choosing between two opposing candidates, but also in deciding questions which can have a substantial effect on inflation, unemployment, taxation, and the economic well-being of the Nation. They should be given the opportunity by a national referendum on election day this November to advise the President, the two Senators from their State, and their Representative whether they wish steps to be taken at once to reduce Government expenditures and balance the budget.

I have introduced a bill in the House of Representatives that would help bring about this goal. The bill would place on the ballot in every State a referendum on Federal spending. Voters would be given the opportunity to select one of the following alternatives:

1. That a start be made at once to reduce Federal spending, and that a balanced budget be reached within a period of the next 2 fiscal years; or

2. The Federal Government should continue its present practice of deficit financing.

Each State holding the referendum would be paid the sum of 1 cent multiplied by the number of voters who cast ballots in the 1976 general election. The vote would then be compiled by State and by congressional district and the results forwarded to the President and both Houses of Congress.

The opinion expressed on the referendum would be advisory only. Nevertheless, it could not help but carry great weight with the Nation's elected Representatives. I am convinced that the balloting would have a major impact on the country and that the people would choose the best road for us to follow.

Those who doubt the public is wise enough to select which of two alternatives is better for them may be reassured by Thomas Jefferson. He has written:

I have great confidence in the common sense of mankind in general.

To inform the minds of the people, and to follow their will, is the chief duty of those placed at their head.

Where the people are well-informed, they can be trusted with their own government; whenever things get so far wrong as to attract their notice, they may be relied on to set them to rights.

Every government degenerates when trusted to the rulers . . . alone. The people themselves are its only safe depositories.

I think we have more machinery of government than is necessary; too many parasites living on the labor of the industrious.

When all government, domestic and foreign, in little as in great things, shall be drawn to Washington as the center of all power, it . . . will become as venal and oppressive as the government from which we separated.

POPE PAUL, CHAMPION OF THE CHURCH—AND THE PEOPLE

(Mr. KOSTMAYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and to include extraneous matter:)

Mr. KOSTMAYER. Mr. Speaker, with the passing of Pope Paul VI, the world has lost a strong voice in the cause of peace, justice, and human freedom.

My constituents in Pennsylvania, both Catholic and non-Catholic alike, join me today in mourning the death of Pope Paul VI.

Mr. Speaker, I insert in the RECORD today a column appearing in the June 26, 1978 Washington Post by Colman McCarthy candidly describing Paul VI as "one of the four or five greatest of the 263 Popes."

The article referred to follows:

POPE PAUL, CHAMPION OF THE CHURCH—AND THE PEOPLE

(By Colman McCarthy)

The Vatican, adept at pagentry, might have marked this month's 15th anniversary of Pope Paul's election by the kind of jubilant celebration that Italians relish and saints bless. But neither the citizens of Rome—still grieving the Moro tragedy—nor Peter's successor are in a mood for gaiety. Paul VI, who said last autumn "I see the end of my life approaching," is 80, frail and said to be failing. For the man who pledged 15 years ago to become "a pilgrim pope," the final pilgrimmage quietly dominates the thoughts of Paul and those close to him. Only in his usual weekly audience did the pope note his anniversary.

After his death, Pope Paul will earn the respectful tributes always given newly departed leaders. But even while he lives, it can ge argued that Paul is likely to be regarded in history as one of the four or five greatest of Rome's 263 popes.

I have had that view for much of Paul's reign, but most of those with whom I share it say that I am being no more than loyal Catholic. That may be, but I am loyal to a number of traditions, people and ideas that do nothing but disappoint me. With Paul, the disappointments have been few. For 15 years, he has been giving a stirring example of what all leaders dream but few achieve; growth in office.

He came to power as a retiring intellectual, but instead of settling in behind the Vatican's walls and mysteries, as most popes have done, he became a world traveler to 16 countries on six continents. He had close friendship with Pius XII, a rigid anti-communist, but, as pope, Paul has created a running dialogue with Marxists from Rome to the Kremlin. As archbishop of Milan, he supported strong papal authority. But as pope, he has reformed the Curia—the church's bureaucracy—and summoned five synods to get the advice of his brother bishops. A prayerful and spiritual man, he also has taken the church into economics, social justice and disarmament through such encyclicals as "Populorum Progressio" and "Mense Maio."

Imperceptibly, these shiftings created a style of evenness that is more the mark of the successful politician of the world than a spiritual leader. In fact, or at least it seems evident now, Paul was seizing an initiative that few of his predecessors ever saw as their proper role: seeking to help not merely the church but also omnes gentes, all people.

His thinking was expressed in an interview he gave after his dramatic address to the United States in 1964 in which he cried out, "No more war!": "I quoted St. Paul in my talk, but I did not have to evangelize. The talk I gave was situated on another plane—if I dare so, the plane of Socrates. I was looking for what was reasonable and just, equitable and salutary, what every responsible man ought to think. If I evangelized, it was to preach that Gospel virtually contained within the Gospel, which is the Gospel of reason and justice."

That philosophy might have been better received if Paul had not stumbled into one needless blunder—"Humanae Vitae," his 1968 encyclical banning artificial contraception. Outside the church, it raised the same kind of scorn that greeted Rome's 1870 pronouncement of papal infallibility. Among Catholicism's 600 million members, it rived the church as though a new schism had come. Actually, the schismatics this time were loyal—though questioning—bishops, theologians and laymen. They won popular support by shifting the argument away from birth control to the question of individual conscience versus obedience to Paul. Conscience won.

The fight need never have happened. Birth control is not an issue of changeless doctrine; the Vatican first spoke of it only in 1931. The next pope may well offer a view that "evolves" from Paul's. But the bitterness of the battle changed Paul into a brooding man who became even more of a contrast to his predecessor, bubbly Pope John. It also changed the public's view of Paul—from the open-minded scholar whose views of peace and social justice were buoyantly liberal and humane to a cleric hunkered down to defend a silly cause while society, and much of his own church, passed him by.

The tactical error of one encyclical should not keep history from a kindly judgment on Paul. Two issues dominate the 20th century: the arms race and the distribution of wealth. On both of these, he has been singularly strong. He has been the conscience of the global anti-war movement and the moral voice for defending the poor against the rich, two roles that no other world leader has had the daring—or freedom of action—to embrace in the same intense and selfless way.

PROPOSED INCOME TAX CREDIT FOR SOCIAL SECURITY TAXES

The SPEAKER pro tempore (Mr. SEIBERLING). Under a previous order of the House, the gentleman from New York (Mr. CONABLE) is recognized for 15 minutes.

Mr. CONABLE. Mr. Speaker, the Committee on Rules reportedly will be asked to make in order, for a floor vote, an amendment to the Revenue Act of 1978 which would provide an income tax credit for social security taxes. The credit, as I understand it, would equal 5 percent of FICA taxes paid during 1979 and 1980 by each employee and employer.

The author of this amendment, the gentleman from Missouri, obviously wants to offset the huge social security tax increases scheduled to start next year. It is a laudable objective, but his proposal is a questionable way to achieve it.

It is questionable for many reasons. First, no hearings have been held on the proposal. It is bad practice for us to consider amendments which have not had the benefit of public comment. In this case, it is particularly unfortunate, because the views of interested and expert observers at the least would have spotlighted its problems and, at the most, might have caused its backers to withdraw it from consideration.

Second, the proposal would complicate income tax returns which figuratively cry out for simplification. At least some new lines would have to be added to each return if the taxpayer is to claim a credit. And in the case of employers, the amount of the credit would have to be subtracted from business deductions which already incorporate payroll taxes.

Third, it would create numerous inequities and anomalies. Millions of Americans, including retired people and employees of nonprofit organizations, work and pay social security taxes but do not pay income taxes because of exemptions and other factors. How will the credit apply to them? Most taxpayers have their Federal income taxes withheld from their pay. How long will they have to wait to make use of the credited amount? Will there be adjustments in withholding to compensate for the credit, or will the Government have use of that money for an entire year before taxpayers can obtain it through refunds?

Fourth, it would open the door to eventual taxation of social security benefits. Some interested parties have argued for years that social security benefits should be taxed. One counterargument has been that because the income tax is applied at one end of the social security system, it should not be applied at the other. The money on which covered workers pay income taxes includes the social security taxes which have been withheld from their wages and salaries. Thus, it can be argued that workers' social security contributions already are being taxed. If, however, all or part of those social security taxes were returned via an income tax credit, it could be argued more forcefully that an income tax should be paid at the other end of the system—the benefit end.

Fifth, the proposal would provide a Federal tax credit against a Federal tax paid. This would be unique, to say the best of it. To be less charitable but more realistic, it would set a mind-boggling precedent for the use of tax credits and it would, above all, be ridiculous. We would be taking away and then attempting to give back, in an administrative motion that would waste both money and effort.

If the objective is to relieve American taxpayers of the onerous new burden imposed by the 1977 Social Security Amendments—and this is a sound and popular objective—there is a better way to do it.

We do not have to adopt circuitous and wasteful motions. We can achieve the same worthwhile goal in a direct way. We can prevent those payroll tax increases from going into effect. Instead of taking away and then giving back, we can simply not take away.

This can be accomplished by shifting some of the medicare taxes to the two social security trust funds and replenishing medicare from general Treasury revenues.

If this proposal were substituted for that of the credit, the net effect would be that payroll taxes would not increase as scheduled next year or the year after. Neither the tax rate nor the taxable wage base would rise above "old law" levels. As far as taxpayers are concerned, it would be as if the massive increases imposed by the 1977 amendments never had been enacted.

Such a concept has found favor with Members in both Houses of Congress, and with leading authorities on social insurance. It was recommended in the 1975 report of the Quadrennial Advisory Council on Social Security.

A similar proposal, offered by my distinguished colleague, the gentleman from Florida, was adopted, albeit narrowly, by the Committee on Ways and Means just 3 months ago.

The mechanics of this approach are not complicated. Payroll taxes slated for part A of medicare would be lowered, and taxes paid into social security—the old age, survivors and disability insurance (OASDI) trust funds—would be increased commensurately. Total payroll taxes would remain the same.

The concept does not break new ground as far as medicare is concerned, because part B of this program, which pays physicians' fees, already is financed more than two-thirds from general revenues. By financing some of part A, which pays hospital expenses, we would merely be increasing the extent to which general Treasury funds are used to pay for medicare programs.

This approach would retain the insurance character of the social security programs, which clearly are different and separable from medicare. The OASDI funds pay benefits based on one's covered earnings, hence on one's contributions. The medicare programs pay benefits related only to one's medical needs.

The 1975 Advisory Council, pointing out this difference, noted that OASDI benefits "are always related to the wages of a worker-taxpayer," then added:

> The same principle does not apply to benefits under the Medicare program. There the benefits are determined by the medical costs of a particular person, and they bear no relationship whatsoever to his wages or those or anyone else.
>
> Under such circumstances, there does not seem to be any real reason for funding such costs by a tax on wages. . . .

That is good counsel, Mr. Speaker. It points toward a commonsense approach to payroll tax relief.

I intend to ask the Committee on Rules to pursue such a course by accepting, as a substitute for the amendment to provide an income tax credit for social security taxes paid, the following amendment, to be considered under the rule on H.R. 13511.

In so doing, Mr. Speaker, I would emphasize that my amendment would cost the Treasury's general funds much less than that involving the 5-percent income tax credit. Estimates indicate that the general revenue loss in fiscal 1979 under the tax credit amendment would be about $6 billion, while under my proposal the general funds' reduction would be about $3 billion.

I enclose the following:

At the end of the bill, add the following new title:

TITLE V—PAYROLL TAX REDUCTIONS

ADJUSTMENT IN TAX RATES

SEC. 501. (a)(1) Section 3101(a) of the Internal Revenue Code of 1954 (relating to rate of tax on employees for purposes of old-age, survivors, and disability insurance) is amended by changing paragraph (3) to read as follows:

"(3) with respect to wages received during the calendar year 1979, the rate shall be 5.225 percent, and with respect to wages received during the calendar year 1980, the rate shall be 5.500 percent;".

(2) Section 3111(a) of such Code (relating to rate of tax on employers for purposes of old-age, survivors, and disability insurance) is amended by changing paragraph (3) to read as follows:

"(3) with respect to wages paid during the calendar year 1979, the rate shall be 5.225 percent, and with respect to wages paid during the calendar year 1980, the rate shall be 5.500 percent;".

(3) Section 1401(a) of such Code (relating to rate of tax on self-employment income for purposes of old-age, survivors, and disability insurance) is amended by changing paragraph (3) to read as follows:

"(3) in the case of any taxable year beginning after December 31, 1978, and before January 1, 1980, the tax shall be equal to 7.275 percent of the amount of self-employment income for such taxable year, and in the case of any taxable year beginning after December 31, 1979, and before January 1, 1981, the tax shall be equal to 7.550 percent of the amount of the self-employment income for such taxable year;".

(b)(1) Section 3101(b) of such Code (relating to rate of tax on employees for purposes of hospital insurance) is amended by changing paragraph (3) to read as follows:

"(3) with respect to wages received during the calendar year 1979, the rate shall be 0.825 percent, and with respect to wages received during the calendar year 1980, the rate shall be 0.550 percent;".

(2) Section 3111(b) of such Code (relating to rate of tax on employers for purposes of hospital insurance) is amended by changing paragraph (3) to read as follows:

"(3) with respect to wages paid during the calendar year 1979, the rate shall be 0.825 percent, and with respect to wages paid during the calendar year 1980, the rate shall be 0.550 percent;".

(3) Section 1401(b) of such Code (relating to tax on self-employment income for purposes of hospital insurance) is amended by changing paragraph (3) to read as follows:

"(3) in the case of any taxable year beginning after December 31, 1978, and before January 1, 1980, the tax shall be equal to 0.825 percent of the amount of the self-employment income for such taxable year, and in the case of any taxable year beginning after December 31, 1979, and before January 1, 1981, the tax shall be equal to 0.550 percent of the amount of self-employment income for such taxable year;".

ALLOCATIONS TO DISABILITY INSURANCE TRUST FUND

SEC. 502. (a)(1) Section 201(b)(1) of the Social Security Act is amended by redesignating clauses (I), (J), and (K) as clauses (J), (K), and (L), respectively, and by striking out clause (H) and inserting in lieu thereof the following: "(H) 1.54 per centum of the wages (as so defined) paid after December 31, 1978, and before January 1, 1980, and so reported, (I) 1.62 per centum of the wages (as so defined) paid after December 31, 1979, and before January 1, 1981, and so reported,".

(2) Section 201(b)(2) of such Act is amended by redesignating clauses (I), (J), and (K) as clauses (J), (K), and (L), respectively, and by striking out clause (H) and inserting in lieu thereof the following: "(H) 1.073 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1978, and before January 1, 1980, (I) 1.114 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1979, and before January 1, 1981,".

CHANGES IN EARNINGS BASE

SEC. 503. (a) The first sentence of section 230(c) of the Social Security Act is amended by striking out all that follows "(and taxable years beginning)" in clause (2) and inserting in lieu thereof "in 1981 shall be $29,700.".

(b) The second sentence of section 230(c) of such Act is amended by striking out "amounts" and inserting in lieu thereof "amount".

APPROPRIATIONS TO HOSPITAL INSURANCE TRUST FUND FROM GENERAL REVENUES

SEC. 504. Section 1817(a) of the Social Security Act is amended by striking out "100 per centum of" in the matter preceding paragraph (1) and inserting in lieu thereof the following: "(A) 100 per centum, in the case of taxes imposed with respect to self-employment income for taxable years beginning before January 1, 1979, and for taxable years beginning after December 31, 1980, and with respect to wages paid or received during calendar years before 1979 and during calendar years after 1980, (B) 133⅓ per centum, in the case of taxes imposed with respect to self-employment income for taxable years beginning after December 31, 1978, but before January 1, 1980, and with respect to wages paid or received during calendar year 1979, and (C) 200 per centum, in the case of taxes imposed with respect to self-employment income for taxable years beginning after December 31, 1979, but before January 1, 1981, and with respect to wages paid or received during calendar year 1980, of".

ESTIMATED REVENUE DIFFERENCES BETWEEN PRESENT LAW AND CONABLE PROPOSAL (TITLE V OF H.R. 13511)

Amount required from general revenues

[In billions]

OASHI	Calendar	Fiscal year
1979	$5.4	$10.4
1980	11.6	10.4

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

Mr. CONABLE. I yield to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Speaker, I thank the gentleman for yielding, and for taking a special order so that we might have a discussion on this most important subject.

If the Congress decided to apply this tax credit it seems to me that we would simply be closing off an opportunity to really make the important changes which the gentleman suggests.

As I understand it, the chairman of the Committee on Ways and Means has indicated that social security will be a top priority for next year.

Mr. Speaker, I would ask the gentleman from New York (Mr. CONABLE) if he would not agree that passing a tax credit would simply foreclose the necessary reforms in the system?

Mr. CONABLE. I think it would have absolutely that effect. This proposal has not been seriously considered within the committee. It was offered the last day of our deliberations. It did not receive any substantial debate. It needs the scrutiny of skilled people.

I think I have raised enough questions about it to indicate that there are serious doubts about the impact of it on the administration of tax law and the complexity that it would add to the tax law.

It seems to me quite clear, on the basis of such a casual acquaintenance, a major proposal should not be enacted having the effect of foreclosing serious further structural consideration of the social security system, as the chairman promised we would have next year.

Mr. FRENZEL. If the gentleman will yield further, I think he has given us good advice; and I hope that the Committee on Rules will not make such a rule in order. If it does, I hope that the House will reject it in favor of putting our re-

liance really on a complete overhaul of that social security system, which is an extremely serious need.

I thank the gentleman for yielding.

Mr. CONABLE. I appreciate the gentleman's contribution and also his participation in this special order.

Mr. Speaker, I think it is important that this matter be laid before the House for careful consideration before we find ourselves rushing into an impulsive act with respect to a terribly important part of the private security plan of American citizens.

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

Mr. CONABLE. I yield to the gentleman from Missouri.

Mr. GEPHARDT. Mr. Speaker, I apologize to the gentleman for not being here to hear his full statement.

Mr. CONABLE. The gentleman will be thrilled when he reads it.

Mr. GEPHARDT. I am sure I will be.

I just wanted to say that, contrary to the remarks the gentleman made earlier today, it is my view that we have, indeed, looked at this proposal, perhaps not in the depth that we did other proposals, to roll back the social security tax; but, indeed, it was presented in the context of the tax bill in the Committee on Ways and Means.

Mr. CONABLE. We did deliberate for a full 20 minutes about it.

Mr. GEPHARDT. That, certainly, was not the gentleman's fault or my fault, in my opinion; but indeed, it was before the committee. Each member of the committee had an opportunity to address the proposal, to understand it, and to deliberate on it.

I do think that within the context of a long period of time we studied social security rollbacks in the Committee on Ways and Means. While this specific proposal was never before the committee, I think a number of Members looked at various alternatives to rolling the social security tax back. Indeed, that was considered. While it was not considered in public, in full view before the committee, it was looked at and studied.

As a matter of fact, that is where I got the proposal from, from those deliberations. At that time, as the gentleman well remembers, we spent a good deal of time in trying to figure out how to address the problem. I really believe it is an understandable proposal and one which people can easily discuss and debate and deliberate about, and I think it is altogether appropriate that it be before the House at this time.

Mr. CONABLE. Mr. Speaker, I hope my friend, the gentleman from Missouri (Mr. GEPHARDT), will put his proposal before the House with the arguments in support of it this evening or that he will before the House considers the measure.

I do think it is a tremendously important, and a rather complex proposal in the various questions that are raised about it; and I hope the House will not simply adopt it as a way of extricating ourselves from the dilemma of sharply increasing payroll taxes without careful deliberation.

I know the gentleman is a careful legislator, and I trust we will have all the information available to us. I regret that it is not being considered in some depth by the Committee on Ways and Means or that it has not been so considered. I think we need every chance we can to study the pros and cons of it rather than imposing on the American people a new system of dealing with payroll taxes, a new credit against income taxes, the implications of which are by no means clear to me at this point.

Mr. GEPHARDT. Mr. Speaker, if the gentleman will yield one more time, I will state that in the RECORD tonight I have filed the exact legislative language of the amendment, and I hope in tomorrow's or the next day's RECORD to put a full airing of what I believe are good arguments for the amendment. I would hope that we could have the kind of discussion I think the gentleman honestly wants. I would say that there have been many proposals in the other body and in this body along this line. I do not think it is a new idea. I do think it is a significant proposal. It does cost a lot of money. It does take us down a different road than we have ever gone before, but I think the House is capable of looking at this proposal and making a decision on it. That is all I am asking it to do.

Mr. CONABLE. I thank my friend, the gentleman from Missouri.

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

KEMP INDIVIDUAL INCOME TAX RATE REDUCTION AMENDMENT TO H.R. 13511, THE PROPOSED REVENUE ACT OF 1978

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 10 minutes.

● Mr. KEMP. Mr. Speaker, in conformity with the Rules of the House, the procedures of the Committee on Rules, and the text of the chairman of the Committee on Ways Means' letter of July 28 to the chairman of the Committee on Rules, I will put into today's RECORD the full text of the individual income tax rate reduction amendment I intend to offer as an amendment to section 101 of H.R. 13511, the proposed Revenue Act 1978, during the consideration of that bill. The amendment will appear following today's House proceedings in that section of the RECORD reserved for amendments intended to be offered.

The case for enactment of this amendment has been, I believe, well and extensively made by many of my colleagues, by noted economists, by econometric studies, by editorialists, and most importantly by the people. There is no need for me to detail that case. But I do wish to summarize the major points, the principal reasons why this amendment ought to become law.

NEEDED TO OFFSET SOCIAL SECURITY, INFLATION-PUSHED AND NEW ENERGY TAXES

Taxes are going up every day. Not only total taxes—Federal, State, and local—but also just Federal taxes. The American people will pay $172-plus billion more in Federal individual income taxes between now and mid-1983, as a result of inflation pushing them into tax brackets where the percentages they pay in taxes on additional dollars of income are increasingly higher. They will also pay $114-plus billion more in higher social security taxes. That is $286-plus billion in additional taxes. If the energy bill, as passed by the House, becomes law, they can expect to pay another $42-plus billion in additional energy taxes, raising the total to $329 billion. The following table details these tax increases:

PENDING AND PROPOSED TAX INCREASES [1] AND PROPOSED INDIVIDUAL INCOME TAX REDUCTIONS

[In billions of dollars]

	1979 [2]	1980	1981	1982	1983	Total
Tax increases:						
Inflation [3]	13.4	22.4	32.8	44.9	58.7	172.2
Social Security	9.5	12.7	24.2	32.6	35.3	114.3
Pending energy taxes [4]	2.9	12.3	15.4	7.7	4.2	42.5
Total	25.8	47.4	72.4	85.2	98.2	329.0

[1] Prepared by the staff of the Joint Committee on Taxation.
[2] Includes fiscal 1978 increase of $7.2 billion and fiscal 1979 impact of $18.6 billion.
[3] Estimate based on 5- to 6-percent inflation rate. Current projected rate of 10.4 percent would push dollar levels higher.
[4] Based on energy bill as passed by the House.

The reason why this information is so important is that it shows that, unless we pass the individual income tax rate reduction amendment which I intend to offer, these dramatically higher taxes will not be sufficiently offset. And that is what my amendment is intended to do: To keep taxes from going up on the American people, to help more than any other measure being offered to offset those higher taxes.

KEMP AMENDMENT GOES THE FURTHEREST IN REDUCING TAXES PAID BY FAMILIES MAKING LESS THAN $30,000, THE MIDDLE-CLASS

The Kemp amendment will go further than any other approach to be offered to reduce the tax burden of the lower- and middle-income taxpayers.

It will go further than the Vanik-Pickle amendment to keep the temporary tax reductions now on the books temporarily on those books longer, in other words further than present law.

It will go further than the committee-reported bill.

It will go further than even the Corman-Fisher amendment, offered with great fanfare as the administration-supported bill to help the lower- and middle-income groups the most.

Under present law, those taxpayers in the $20,000 or less category are shouldering a cumulative percent distribution of total Federal individual income tax liability of 26.71 percent. The committee-reported bill would reduce it to only 26.80 percent, with the Corman-Fisher amendment reducing it to 25.90 percent. By contrast, the Kemp amendment reduces it to 25.10 percent.

Under present law, those taxpayers in the $30,000 or less category are shouldering 50.98 percent of that liability. Under the committee-reported bill, it would be reduced to only 50.90 percent. The Corman-Fisher amendment would reduce it to 50.10 percent. But the Kemp amendment would reduce it to 49.30 percent.

The following table illustrates this point:

PERCENTAGE DISTRIBUTIONS OF INDIVIDUAL INCOME TAX LIABILITY

Expanded income class	Present law [1] and Vanik-Pickle amendment		H.R. 13511 [3] (Committee bill)		Corman-Fisher amendment [3]		Kemp amendment [1]	
	Percentage distribution	Cumulative [2] distribution	Percentage distribution	Cumulative distribution	Percentage distribution	Cumulative distribution	Percentage distribution	Cumulative [2] distribution
Less than $5,000	−0.07	−0.07	4.40	4.40	3.90	3.90	−0.30	−0.30
$5,000 to $10,000	4.47	4.40					3.80	3.50
$10,000 to $15,000	9.26	13.66	9.30	13.70	9.00	12.90	8.80	12.30
$15,000 to $20,000	13.05	26.71	13.10	26.80	13.00	25.90	12.80	25.10
$20,000 to $30,000	24.27	50.98	24.10	50.90	24.20	50.10	24.20	49.30
$30,000 to $50,000	21.29	72.27	21.20	72.10	21.20	71.30	21.30	70.60
$50,000 to $100,000	13.02	85.29	13.10	85.20	13.40	84.70	13.20	83.80
$100,000 to $200,000	7.12	92.41	7.30	92.50	7.50	92.20	7.60	91.40
$200,000 and over	7.45	99.86	7.50	100.00	7.80	100.00	8.50	99.90

[1] Source: Office of Tax Analysis, Office of the Secretary of the Treasury, June 16, 1978; printed in the Congressional Record, Aug. 2, 1978, at p. H 7778.
[2] Percentages may not cumulate to 100 percent, due to rounding.
[3] Source: Office of Tax Analysis, Office of the Secretary of the Treasury, Aug. 3, 1978; printed in the Congressional Record, Aug. 4, 1978, at p. H 7913.

How is this accomplished? By assuring, as the Kemp amendment would, that nearly 65 percent of the dollar reductions which would occur from the tax rate reductions embodied in the amendment would go to the $30,000-and-under income classes. That means that nearly two-thirds of every total dollar will go to those in those $30,000-and-under taxpayers.

The following chart illustrates this point:

Kemp individual income tax rate reduction amendment

Income class	Percentage of reduction	Cumulative reduction
Under $5,000	0.7	0.7
$5,000 to $10,000	7.6	8.3
$10,000 to $15,000	14.7	23.0
$15,000 to $20,000	17.5	40.5
$20,000 to $30,000	24.3	64.8
$30,000 to $50,000	16.0	80.8
$50,000 to $100,000	11 4	92.2
$100,000 and over	7.7	100.0

The largest percent reductions in marginal tax rates will occur in the lower end of the spectrum. Those now in the 14-percent rate bracket, the lowest rate, will see that rate reduced over 3 years to 8-percent; that is a 43-percent reduction in the rate. By contrast, those now in the 70-percent rate bracket, the highest rate, will see that rate reduced over that 3-year period to 50-percent, only a 28-percent reduction in the rate.

The following table illustrates this point:

Reduction in marginal tax rates under Kemp amendment

Present marginal tax rates	Under Kemp amendment	Percent reduction in rates
14	8	43
15	9	40
16	10	37
17	11	35
19	13	31
21	15	28
24	17	25
25	19	24
27	21	22
29	24	17
31	27	16
34	29	15
36	31	14
38	33	13
40	35	12
45	36	20
50	37	26
55	40	27
60	42	29
62	44	29
64	46	29
66	47	29
68	48	29
69	49	29
70	50	28

The critical importance of these marginal tax rate reductions can be seen when you look at the effect which inflation has had both in terms of disposable income and of the higher marginal tax brackets into which these lower- and middle-income wage earners have been pushed by that inflation in recent years.

Let me give an example. Let us take a family of four earning the median income in the United States in 1967 and in 1977. That median income was $8,400 in 1967; $17,000 in 1977. One would certainly think that this family would be much better off today than 11 years ago, but the facts show that is far from the case.

Despite an increase in personal exemptions from $2,400 to $3,000 and despite an increase in the standard deduction from $1,240 to $3,200, disposable income in real, 1967 dollars, has dropped. Why? Because the family went from a 19-percent marginal tax rate to a 22-percent marginal tax rate. Because the Federal income tax liability resulting from the higher nominal income and the higher marginal tax rate soared from $764 to $1,822, with social security taxes skyrocketing from $174 in 1967 to $965 in 1977. The Federal tax burden, including social security, went from $938 to $2,787. Now, couple that with inflation's erosion of purchasing power, and you get two things: A drop in real disposable income, expressed in 1967 dollars, from $7,462 to $6,579; and, an increase in the effective tax rate from 11.2 percent in 1967 to 16.4 percent in 1977.

The following table illustrates this point:

Changes in taxes and disposable income for a family of 4 [1] earning the median income, 1967–1977

	1967	1977
Income:		
Nominal (current)	$8,400	[2] $17,000
Real (1967 dollars)	$8,400	$9,366
Personal exemption	$2,400	$3,000
Standard deduction	$1,240	$3,200
Taxable income	$4,760	$10,800
Federal income tax	$764	$1,822
Social Security tax	$174	$965
Total Federal tax	$938	$2,787
Disposable income:		
Nominal (current)	$7,462	$14,213
Real (1967 dollars)	$7,462	$6,579
Tax rate (in percent):		
Effective	11.2	16.4
Marginal	19.0	22.0

[1] Married couple with two dependents.
[2] The zero bracket is not shown in this table. To include the zero bracket, increase all taxable incomes shown by $3,200.

Mr. Speaker, this information, as well as the extensive information which I and others have put into the RECORD in recent months, makes the case for enactment of the individual income tax rate reductions which I intend to offer as an amendment to H.R. 13511. It is a case sufficiently made.

KEMP INDIVIDUAL INCOME TAX RATE REDUCTION AMENDMENT TO H.R. 13511

The amendment I intend to offer to H.R. 13511 will be to section 101 of that bill. This is the only portion of the original three-part Kemp-Roth Tax Rate Reduction Act which should be offered on the floor.

Several thoughts:

First, the original Kemp-Roth legislation dealt with three matters: Individual income tax rate reductions, a reduction in the combined corporate normal tax and corporate surtax rates, and an increase in the corporate surtax exemption for smaller incorporated businesses.

All but the first matter has been dealt with, and satisfactory I might say, by the Committee on Ways and Means through the bill its members have reported to the floor. The corporate income tax rates, which Kemp-Roth would have reduced from 48 percent to 45 percent over a 3-year period, will be reduced to 46 percent in the first year by the committee bill. And through the reduced burdens on incorporated small businesses, the committee has taken care of the third part of the Kemp-Roth measure. To require those portions to be offered again would be repetitive and terribly confusing.

Second, virtually the entire focus of the debate over Kemp-Roth has been on the individual income tax rate reductions. If a Member looks at the studies which have been placed in the RECORD,

otherwise released, or made the part of press campaigns for or against the bill, this becomes very clear. If you look at the hearings before the House and Senate committees, this is even more apparent. And it is certainly true of news and editorial comment. The individual income tax rate reductions have also been the principal focus of the econometric studies done and the conclusions articulated from those studies.

Third, we have had the passage of over an entire year's time since the Kemp-Roth bill was introduced as H.R. 8333. That was on July 14, 1977. It would be impossible for that bill's text to be offered as an amendment to H.R. 13511, because the effective date of the bill was January 1, 1977. The tax year 1977 has passed us by; people have paid taxes in that year and the books on it have been closed as of April 15, 1978. And you cannot say, "just move those dates up by 1 year," because January 1, 1978, would not be an appropriate effective date either, in that the tax reductions I seek are to change prospective behavior.

Fourth, since that bill was introduced, much has happened that affects tax policy and tax legislation. The Committee on Ways and Means heard extensive testimony on this and other bills. The Senate Subcommittee on Taxation and Debt Management, a subcommittee of the Senate Finance Committee, heard an entire day's testimony from witnesses in support and in opposition to the bill. I listened to what was said; so did other cosponsors.

We have also had an entire year's additional statistical information on taxes—who pays them, how much they pay, what portions of the Internal Revenue Code bring in what levels of tax revenue, what percentages of total tax revenue—and that had to be included in revisions to the original bill.

It would be ludicrous to go back to the original text, in light of all of this.

Fifth, we have the necessity of good tax policy and good tax legislation. Good tax policy requires us to reflect the most recent information and thinking. Good tax legislation requires us to introduce and support unflawed legislative drafting. Both of these objectives can be done only through the text of the amendment I am putting into today's RECORD.

Sixth, we have the principle of fairness. The Committee on Ways and Means certainly did not report out the legislation it was considering last July. It reported out a bill which it introduced, through its chairman, ranking minority member, and principal author, on July 18, 1978, only days before it reported out the final measure. That measure was the product of careful deliberation during that 13-month period, just like the Kemp amendment was and is.

Seventh and probably by far the most important, the offering of only the individual income tax rates reduction portion of Kemp-Roth is what the Committee on Ways and Means directed its chairman to recommend to the Committee on Rules be considered, as an amendment, during floor consideration of H.R. 13511.

As the principal cosponsor of the Kemp-Roth bill in the House and as a spokesman for the 180-plus additional cosponsors in Congress, I was assured of the agreement between the chairman and the ranking minority member of the Committee on Way and Means that the individual income tax rate reduction portions of the Kemp-Roth bill could be offered on the House floor as an amendment to the committee's bill.

The committee voted through its recommendation to the Rules Committee that such an amendment be allowed. Pursuant to that vote, the chairman, Mr. ULLMAN, sent a letter dated July 28 to the chairman of the Committee on Rules, Mr. DELANEY, received by his committee office on July 31, and I quote from it:

> I am authorized and directed by the Committee to request a modified open rule which would provide for:
>
> (1) The following 5 amendments, which would not be subject to amendment, if printed in the Congressional Record and if offered on the floor;
>
> (a) an amendment by Mr. Kemp to the individual tax rate reductions contained in Title I of the bill.

I see no great protest against final revisions over the fact that the administration-supported amendment, the Corman-Fisher amendment, was not even worked out until last Thursday night.

Thus, I think the Committee on Rules should allow the Kemp amendment, as the text I put into the RECORD today, to be offered as an amendment on the floor. Not as a substitute, not as part of a substitute, not as a motion to recommit with instructions: but as an amendment to section 101 of H.R. 13511.●

THE NEED FOR COMPROMISE IN THE MIDDLE EAST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. GOLDWATER) is recognized for 5 minutes.

● Mr. GOLDWATER. Mr. Speaker, no one will deny that the obstacles to peace in the Middle East are both very complex and substantial. President Sadat's symbolic visit to Jerusalem created a sense of euphoria that unfortunately clouded the underlying fundamental and substantive issues that remain to be resolved. After a frustrating letdown, the dust has settled somewhat and we can now more objectively reevaluate the events that transpired after the Sadat visit.

While Sadat's trip may have helped to remove the "psychological obstacles" to peace, it appears that few, if any, substantive issues have been resolved. The tremendous publicity of the visit has boosted our view of the intentions and willingness of the Egyptians to compromise and as a result led us to possibly oversimplify and misunderstand the extremely delicate position that Sadat is in. His domestic economic situation is perilous. Not even complete peace will alleviate that situation because while enormous military expenditures can be redirected, the number of military men seeking civilian jobs will flood the already small job market. Sadat needs massive amounts of foreign capital to save his economy. The United States as well as the Arab oil states are looked to for this aid. However, if Sadat is to at least maintain the dwindling amount of aid from oil-rich states, he cannot alienate these states in making concessions to Israel. This catch-22 dilemma is further complicated by Israel insecurity in accepting written and verbal commitments in return for actual territory. Resolving a conflict that has its roots in thousands of years of history cannot be accomplished in a matter of months. The United States can and should serve a vital function in facilitating a settlement. The United States cannot force a settlement on either side, but can serve as an effective catalyst.

Since Sadat's Jerusalem visit, both the executive branch and the press have only hurt the chances for peace. Publicly, President Sadat must appear to be tough and relatively uncompromising in order to avoid alienating his Arab supporters. Israel, however, has too much at stake to take Sadat's statements at anything less than face value. Thus, it falls to the United States to interpret the full meaning behind Sadat's words. So far, we have failed to understand the cause for Sadat's apparent vacillating positions. Just as Sadat must understand that the United States cannot impose a settlement or bring undue pressure to bear on Israel, we must recognize and accept our role as intermediary.

The signals for help have been sent to the United States. It appears, however, that so far the Carter administration has failed to decode those messages. This subject is far too vital globally to serve as an on-the-job training exercise. The Middle East needs firm American leadership immediately if there is to be a satisfactory resolution to this lengthy conflict.●

LEGISLATION TO AMEND SAFE DRINKING WATER ACT AND RURAL DEVELOPMENT ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Dakota (Mr. ABDNOR) is recognized for 15 minutes.

Mr. ABDNOR. Mr. Speaker, today I have introduced legislation, H.R. 13752, to amend the Safe Drinking Water Act and the Rural Development Act to provide additional assistance to small communities and rural water systems in meeting drinking water standards.

The need for this legislation is basic. According to a 1977 national demonstration water project study, as many as 30 million residents in rural communities experience some form of problem related to the quality or quantity of drinking water supplies or to the adequacy of waste water disposal systems. In fact 92 percent of all residences without running water and 63 percent without complete plumbing are found in rural areas.

Yet, the Safe Drinking Water Act currently covers only existing systems having 15 or more hookups and regularly serving 25 or more individuals. In my view, it is unsound policy to promulgate standards for those who are fortunate

enough to be served by an existing "public water system," while ignoring those who are not. EPA admits millions of Americans are no covered by the act and are, thereby, denied safe drinking water protections.

Still more disturbing is EPA's recent proposal to require removal of allegedly dangerous levels of cancer-causing substances from systems supplying 75,000 or more customers. Assuming the threat is real and these regulations are justified, over one-half of the American public is left unprotected. Clearly, arbitrary system size standards are a capricious and unjustifiable means of determining who is entitled to safe drinking water.

On the other hand, there are very real questions as to whether these regulations are justified at all, much less in terms of their cost to the users of the regulated systems. Furthermore, at the present time there are no positive built-in incentives for EPA to be fiscally responsible in promulgating safe drinking water regulations or for water systems to actively seek ways of complying with these standards.

EPA writes the rules and the water users pay the expenses. The act authorizes EPA to mandate use of the best available technology, and the users have no say in determining whether the benefits justify the costs. Implicit in arbitrary size standards for the systems covered is the assumption that smaller systems cannot bear the expense.

If safe water standards are justified for some, they are justified for all Americans regardless of the size of the system from which they draw their drinking water. If the Federal Government is going to mandate such standards upon a particular system, it is also incumbent upon the Federal Government to provide financing on a basis the users can afford to pay. Finally, the Federal Government should be responsible for making a judgment about the budgetary impact of such requirements, rather than simply imposing the costs upon local water systems.

EPA Deputy Administrator Barbara Blum has been quoted as saying EPA's estimates on the proposed cancer-causing regulations represent "probably the worst underfiguring of costs" EPA has ever done. Little wonder—there is simply no fiscal integrity in the existing regulatory system. That is, in my view, the prime reason the South Dakota Legislature has four times rejected acceptance of State primacy for enforcement. Why should the State administer regulations for which there is no solid scientific basis, in which the State has no authority to weigh the benefits and costs, and for which there may be no feasible way for small communities to achieve compliance at a reasonable expense?

In the meantime we have seen reports of from 16 to 68 of those South Dakota water systems which are covered violating EPA standards at various times, and the following is an excerpt from a letter EPA has prepared to send to such communities:

Quite frankly, we cannot understand your refusal to comply in the face of notification of your legal responsibilities under federal law. We can only assume that you are not fully aware of the penalties which the United States Congress has prescribed for violations of the Safe Drinking Water Act. First, the Act provides in Section 1414(b) that the EPA may bring a civil action in the appropriate United States district court to require compliance with a national primary drinking water regulation. The court may enter such judgment as it deems necessary and, if the court determines that the violation is willful, may impose a civil penalty of up to $5,000.00 for each day the violation occurs. (emphasis added) Second, under section 1414(c) willful violation of public notification requirements is punishable by a fine of up to $5,000.00. Third, under Section 1445(c) any failure to maintain such records, make such reports, conduct such monitoring, and provide such information as the EPA may require by regulation, or the failure to allow inspection of the property of a supplier of water, is punishable by a fine of up to $5,000.00. In our opinion, your failure to comply with the requirements of the Act, after repeated notification, constitutes willful violation of the law.

Unless the Enforcement Division receives within fifteen (15) days of receipt of this letter, evidence of your compliance with the requirements of the Act, we will take appropriate action. We suggest that if you have any questions or if you believe that you are not subject to the requirements of the Safe Drinking Water Act, you make such questions or information known immediately to the EPA before any penalties are imposed and you incur any financial or other legal liability.

I think my colleagues will agree threats of this sort are a heck of a way to run a government. There has to be a better way, and it is partially reflected in a recent agreement signed by EPA and the Farmers Home Administration. The following news release from USDA sketches the agreement:

FEDERAL MONEY TO HELP RURAL TOWNS IMPROVE DRINKING WATER

WASHINGTON, July 31.—Some rural communities will get priority assistance to improve their drinking water systems under an agreement announced here today. The agreement, intended to insure that rural drinking water meets minimum health standards, was signed by the Environmental Protection Agency (EPA) and the Farmers Home Administration (FmHA), an agency of the U.S. Department of Agriculture.

Under the agreement EPA will designate communities whose drinking water fails to meet EPA standards. Communities receiving this designation will be given higher priority to receive FmHA water system improvement grants or loans than those whose water meets EPA standards.

Grants and loans come from $1 billion available this year under FmHA programs to help build, enlarge and improve water treatment systems in communities with populations under 10,000.

Grants are made for up to 50 percent of the cost of building drinking water facilities or acquiring land and water rights associated with the operation of a system. Loans, available for up to 100 percent of these costs, are made at 5 percent interest with a maximum 40-year repayment schedule.

FmHA grant and loan programs are aimed at rural communities, public agencies, private nonprofit corporations and Indian tribes unable to obtain credit at reasonable terms from other lenders.

The Safe Drinking Water Act of 1974 authorizes EPA to set and enforce national drinking water standards but does not provide for funds to help water suppliers meet the standards. EPA estimates that 12,000 communities—most of which are classified as small or rural—will need additional water treatment of some sort to meet EPA drinking water regulations.

Copies of the agreement are available from the EPA Press Office, room 329, West Tower (A-107) 401 M Street, SW, Washington, D.C. Telephone: (202) 755-0344.

The bill I have introduced today builds upon the concept contained in the FmHA/EPA agreement. It will allow and encourage EPA to remain an active advocate for safe drinking water standards, while employing the existing FmHA delivery system in providing assistance for complying with such standards. At the same time it will provide positive encouragement, rather than threats, to communities to seek solutions to drinking water safety problems.

Opposition to this legislation will doubtlessly be raised on the basis of its budgetary ramifications. On the contrary, however, this measure will inject fiscal integrity into the regulatory process. No increase in spending is mandated; rather, congressional and administrative budgetary oversight will be exercised over expenditures which are currently foisted upon local water users without effective consideration of such costs.

The basic benefit of this legislation will be to rationalize the regulatory process and to encourage all levels of government to work together for the common goal; that is, safe drinking water. Perhaps even the maximum 90 percent grant—President Carter's water policy recommends 10 percent cost sharing by local beneficiaries—will not make needed improvements feasible in some cases. This legislation will promote good faith efforts, however, upon the part of, first, the local water system officials in actively seeking water quality solutions and second, EPA in promulgating standards which reflect not only admirable drinking water safety goals but reasonable financing potentials as well. I hope enactment of this legislation will also enable the South Dakota Legislature to see fit to accept State primacy for enforcement of the Safe Drinking Water Act.

After reviewing the following analysis and text of the bill, I trust my colleagues will agree this is a legislative measure whose time has come:

ANALYSIS OF H.R. 13752 TO AMEND THE SAFE DRINKING WATER ACT AND THE CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT

Title I amends the Rural Development Act (RDA) to authorize the Secretary of Agriculture to make grants to water systems otherwise eligible for assistance under RDA to enable them to comply with standards promulgated under the Safe Drinking Water Act (SDWA).

Grants are also specifically authorized for proposed water systems which will replace supplies which do not meet SDWA standards.

Grants would be limited to 90 percent of

the cost. Users would pay the amount they can reasonably be expected to pay, as determiner by the Secretary, and the grant would cover the difference.

Water systems which have experienced higher than anticipated expenses would also be eligible for assistance. Such grants would be limited to 75 percent of the costs not covered by a previous grant, as required to provide a reasonable user fee.

Priorities for grant funds would be in the following respective order:

First. To relieve unanticipated diminution or deterioration of water supplies requiring immediate action,

Second. To enable compliance with primary drinking water standards under SDWA.

Third. To relieve chronic water shortages, and

Fourth. To enable compliance with secondary drinking water standards under SDWA.

The Secretary is directed to weigh the costs and benefits of making a grant to enable compliance with SDWA. He shall not make a grant if it is not for the most cost effective solution, if the users can reasonably afford the cost without such assistance, or if the benefits do not justify the expense.

Title II amends Title XIV (Safe Drinking Water Act) of the Public Health Service Act to prohibit the Administrator of EPA from acting against a public water system which is not in compliance with SDWA if it has a pending application with the Farmers Home Administration (FmHA) to finance the necessary improvements. The system would be required to certify its users cannot reasonably afford the expense without such assistance.

Associations proposing to construct water systems would be allowed to ask the Administrator to test the existing supplies of its proposed users for compliance with SDWA standards. If the present supplies of the proposed users of the proposed system do not meet SDWA standards, the proposed system would qualify for grant assistance from FmHA on the same basis as existing systems.

Finally, the Administrator could not require a water system to notify its users of non-compliance with SDWA standards if it has applied for assistance in order to comply. The Administrator may still provide such notice himself, however, if he feels such notice is warranted.

H.R. 13752

A bill to provide assistance to rural water systems in achieving compliance with title XIV of the Public Health Service Act, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—AMENDMENTS TO THE CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT

SEC. 101. Section 306(a)(2) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(2)) is amended—

(1) by inserting "(A)" immediately after "(2)";

(2) by inserting "under this subparagraph" immediately after "is authorized";

(3) by striking out "of this paragraph" and inserting in lieu thereof "of this subparagraph"; and

(4) by adding at the end thereof the following new subparagraphs:

"(B)(i) The Secretary is authorized to make grants in any fiscal year—

"(I) to any water system—

"(aa) which has been notified by the Administrator of the Environmental Protection Agency under section 1414 of the Public Health Service Act that such water system does not comply with any national primary drinking water regulation in effect under section 1412 of such Act, or with any schedule or other requirement imposed pursuant to sections 1415(a)(2) or 1416(f) of such Act, or

"(bb) which has been notified by the Administrator of the Environmental Protection Agency of a determination under section 1414(h)(2) of such Act that such water system, if it were a 'public water system' within the meaning of section 1410 of such Act, would not comply with any national primary drinking water regulation in effect under section 1412 of such Act.

for the purposes of enabling such water system to comply with such regulation, schedule, or other requirement, and of assisting such water system to serve its users at a reasonable user rate, and

(II) to any association—

(aa) which has or will have the legal authority to construct, operate, and maintain a water system, and

(bb) which has been notified by the Administrator of the Environmental Protection Agency under section 1414(h)(2) of the Public Health Service Act that the current drinking water supply of any potential user of such proposed water system, if such water supply were a public water system within the meaning of section 1410 of such Act, would not comply with any national primary drinking water regulation in effect under section 1412 of such Act,

for the purposes of enabling such proposed water system, when constructed, to comply with all national primary drinking water regulations and of assisting such proposed water system, when constructed, to serve its users at a reasonable user rate.

(ii) The amount of any grant made to a water system or an association under this subparagraph shall be that portion (not to exceed 90 percent) of the cost, to such water system or association, of constructing, installing, operating, or maintaining treatfent facilities and equipment necessary to achieve compliance with such regulation, schedule or other requirement, which cannot be paid through reasonable user rates over a reasonable period of time, except that no grant shall be made under this subparagraph if the Secretary determines that the benefits to be derived from compliance with such regulation, schedule, or other requirement do not justify the making of such grant, or that the amount of such grant is excessive. In awarding any grant to a water system under subparagraph (B)(i), the Secretary shall increase such grant by any amount which such water system has paid in civil fines imposed under section 1414(b) of the Public Health Service Act before the date of the enactment of this subparagraph, other than fines imposed for a willful violation (as described in such section) to which such water system did not assert as a defense that it was unable to comply because the expense of constructing, installing, operating, or maintaining treatment facilities and equipment necessary to achieve compliance would require the imposition of an unreasonable user rate.

"(C) The Secretary is authorized to make grants to any water system—

"(i) which has achieved compliance with all national primary drinking water regulations in effect under section 1412 of the Public Health Service Act and with all schedules and other requirements imposed pursuant to sections 1415(a)(2) and 1416(f) of such Act, or

"(ii) which has been notified by the Administrator of the Environmental Protection Agency under section 1414(h)(2) of such Act that such water system, if it were a 'public water system' within the meaning of section 1410 of such Act, would be in compliance with all national primary drinking water regulations in effect under section 1412 of such Act for the purpose of assisting such water system to serve its users at a reasonable user rate. The amount of any grant made under this subparagraph shall not exceed the difference between 75 percent of the development cost of such water system and the amount of any grant previously made under subsection (a)(2)(A) to finance such development cost.".

Sec. 102. Section 306(a)(12) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(12)) is amended to read as follows:

"(12)(A) In the making of loans and grants for community waste disposal facilities under paragraphs (1) and (2) of this subsection, the Secretary shall accord highest priority to the application of any municipality or other public agency (including an Indian tribe on a Federal or State reservation or other federally recognized Indian tribal group) in a rural community which has a population not in excess of five thousand five hundred, and which has a community waste disposal system, where the Secretary determines that due to unanticipated occurrences the system is not adequate to the needs of the community.

"(B) The Secretary shall make loans and grants for water facilities under paragraphs (1) and (2) of this subsection in accordance with the following priorities:

"(i) first, to municipalities or other public agencies (including Indian tribes on Federal or State reservations or other federally recognized Indian tribal groups), in rural communities which have populations not in excess of five thousand five hundred, and which have community water supply systems, where the Secretary determines that, due to unanticipated diminution or deterioration of their water supplies, immediate action is needed;

"(ii) second, to municipalities or other public agencies (including Indian tribes on Federal or State reservations or other federally recognized Indian tribal groups), in rural communities which have populations not in excess of five thousand five hundred, and which have community water supply systems or which propose to construct such systems, for the purpose of enabling such systems to achieve compliance with national primary drinking water regulations in effect under section 1412 of the Public Health Service Act or with any schedule or other requirement imposed pursuant to sections 1415(a)(2) or 1416(f) of such Act;

"(iii) third, to municipalities or other public agencies (including Indian tribes on Federal or State reservations or other federally recognized Indian tribal groups) in rural communities which have populations not in excess of five thousand five hundred, and which have community water supply systems or which propose to construct such systems, for the purpose of enabling such systems to relieve chronic water shortages;

"(iv) fourth, to municipalities or other public agencies (including Indian tribes on Federal or State reservations or other federally recognized Indian tribal groups) in rural communities which have populations not in excess of five thousand five hundred, and which have community water supply systems or which propose to construct such systems, for the purpose of enabling such systems to achieve compliance with national secondary

drinking water regulations in effect under section 1412 of such Act.

For the purpose of this subsection, the term 'municipalities or other public agencies' includes any association and any public water system subject to the provisions of title XIV of the Public Health Service Act.

"(C) The Secretary shall utilize the Soil Conservation Service in rendering technical assistance to applicants under this paragraph to the extent he deems appropriate.".

TITLE II—AMENDMENTS TO TITLE XIV OF THE PUBLIC HEALTH SERVICE ACT

SEC. 201. Section 1414 of the Public Health Service Act (42 U.S.C. 300g–3) is amended by adding at the end thereof the following new subsections:

"(g) Any public water system—

"(1) which is located in a rural area,

"(2) which has been notified by the Administrator before, on, or after the date of the enactment of this subsection that such system does not comply with any national primary drinking water regulation in effect under section 1412, or with any schedule or other requirement imposed pursuant to section 1415(a)(2) or 1416(f), and

"(3) which has certified to the Administrator in writing—

"(A) that such system is unable to comply with such regulation, schedule, or other requirement because the expense of constructing, installing, operating, or maintaining treatment facilities and equipment necessary to achieve compliance would require the imposition of an unreasonable user rate, and

"(B) that such system has applied for a grant under section 306(a)(2)(B) of the Consolidated Farm and Rural Development Act, which grant, if received, would, with any funds from other sources, enable such system to achieve compliance with such regulation, schedule, or other requirement and assist such system to serve its users at a reasonable rate;

shall be deemed to be in compliance with such regulation schedule, or other requirement during the period beginning on the date such system applies for such grant and ending on the date such system withdraws its application or on the date by which such system has constructed and installed, and is able to operate and maintain, treatment facilities and equipment necessary to achieve such compliance, except that such system shall not be deemed to be in compliance with such regulation, schedule, or other requirement during such period if such application is denied on the basis of a determination by the Secretary of Agriculture that such system is able to comply with such regulation, schedule, or other requirement and to serve such system's users at a reasonable user rate, or that such system would be able to comply with such regulation, schedule or other requirement and to serve such system's users at a reasonable user rate if such system received a grant in an amount smaller than the amount of the grant for which such system applied.

"(h) At the request of any association which has or will have the legal authority to construct, operate, and maintain a water system—

"(1) that, as proposed, would meet the definition of 'public water system' in section 1410, or

"(2) that, as proposed, would meet the definition of 'public water system' in section 1410, except that such water system, as proposed, would have less than 15 service connections or would regularly serve less than 25 individuals,

the Administrator shall determine whether the drinking water supply of any potential user of such proposed water system, if such water supply were a public water system, would be in compliance with all national primary drinking water regulations in effect under section 1412, and shall notify such association of the results of such determination and the reasons for such results.

"(i) For purposes of this section, the term 'association' has the same meaning such term has in section 306 of the Consolidated Farm and Rural Development Act."

SEC. 202. Section 1414(c) of the Public Health Service Act (42 U.S.C. 300–3(c) is amended—

(1) by inserting "(1)" immediately after "(c)";

(2) by striking out "(1)" immediately before "of any failures on the part" and inserting in lieu thereof "(A)";

(3) by striking out "(A)" immediately before "comply with an applicable" and inserting in lieu thereof "(i)";

(4) by striking out "(B)" immediately before "perform monitoring" and inserting in lieu thereof "(ii)";

(5) by striking out "(2)" immediately before "if the public water system" and inserting in lieu thereof "(B)";

(6) by striking out "(A)" immediately before "the existence of such" and inserting in lieu thereof "(i)";

(7) by striking out "(B)" immediately before "any failure to comply" and inserting in lieu thereof "(ii)"; and

(8) by adding at the end thereof the following new paragraph:

"(2) During the period that any owner or operator of a public water system is deemed to be in compliance under subsection (g), such owner or operator shall not be required—

"(A) to give notice to the persons served by such system of any failure on the part of the public water system to comply with an applicable maximum containment level or treatment technique requirement of a national primary drinking water regulation, or

"(B) to comply with the notice provisions set forth in paragraph (1)(B).

Such notice may be given instead by the Administrator, who, if he gives such notice, shall include therein a statement that such system has applied for a grant under section 306(a)(2)(B) of the Consolidated Farm and Rural Development Act, which grant, if received, would, with any funds from other sources, enable such system to achieve compliance with those regulations, schedules, and other requirements with which such system is deemed to be in compliance under subsection (g).

SEC. 203. Section 1442(c) of the Public Health Service Act (42 U.S.C. 300j–1) is amended by adding at the end thereof the following new sentence: "There are authorized to be appropriated to carry out the provisions of subsection (b) $——— for the fiscal year ending September 30, 1979.".

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. MOAKLEY) is recognized for 5 minutes.

● Mr. MOAKLEY. Mr. Speaker, I was necessarily absent from the proceedings of the House on Friday, August 4, 1978, and rise for the purpose of placing in the RECORD a statement indicating how I would have been recorded if I had been present and voting on the rollcall votes taken during the session:

Rollcall No. 647. Procedural motion by Mr. LONG of Maryland that the House resolve into the Committee of the Whole for consideration of the bill (H.R. 12931) foreign aid appropriation (agreed to 272–7–1); "yea";

Rollcall No. 648. Amendment offered by Mr. HARKIN (as amended by an amendment offered by Mr. OBEY) to impose a 2-percent reduction in foreign military credit sales which does not reduce funds provided for Israel, Lebanon, and Jordan (agreed to 300–29); "aye"; and

Rollcall No. 649. Adoption of the rule (H. Res. 1291) waiving designated points-of-order during consideration of the bill (H.R. 13635) Defense appropriation (agreed to 330–7).●

THE 20TH CAPTIVE NATIONS WEEK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 5 minutes.

● Mr. FLOOD. Mr. Speaker, the main impact of the 20th Captive Nations Week is seen in the emphasis it placed on the captive nations ideology. The ideology is coherently based on philosophical, historical, and strategic grounds. There are people who content that we don't need an ideology to counter Soviet Russian imperio-colonization and Communist ideology. They believe simple military strength is enough. This belief represents a complete misreading of the evolution of the captive nations and the expansion of Red totalitarian power. As a case in point, one need just cite our debacle in Vietnam where forces more than the military were at work. The captive nations ideology takes these other forces into account. Moscow, Peking, and Havana know this; we are gradually understanding this, and one of the chief conduits for this understanding is the captive nations ideology.

Aspects of the ideology were well expressed in the 20th Captive Nations Week, as the following, additional examples supplied by the National Captive Nations Committee show: First: proclamations by Gov. William G. Milliken of Michigan and Mayor Tom Bradley of Los Angeles, second, a report in the July 22 Human Events, third, the program of the New York City observance, fourth, the report in the New York News, "March on Fifth Avenue for Captive Nations" and fifth, adresses in the China Post of July 22:

CAPTIVE NATIONS WEEK

The desire for freedom and liberty burns in the hearts of people throughout the world, including those living in nations dominated by the policies of Communist Russia.

Freedom-loving people of Albania, Armenia, Bulgaria, Byelorussia, Croatia, Czechia, Estonia, Hungary, Latvia, Lithuania, Poland, Rumania, Serbia, Slovakia. The Ukraine and other captive nations look to the United States as the vanguard of human freedom.

Therefore I, William G. Milliken, Governor of the State of Michigan, do hereby declare July 16-22, 1978, as Captive Nations Week, and I urge all citizens to dedicate some of their time and effort to the goal of freedom and liberty for all people throughout the world.

WILLIAM G. MILLIKEN,
Governor.

PROCLAMATION CAPTIVE NATIONS WEEK

Whereas, the imperialistic politics of Russian Communists have led, through direct and indirect aggression, to the subjugation and enslavement of the peoples of Poland, Hungary, Lithuania, Ukraine, Czechoslovakia, Latvia, Estonia, Byelorussia, Romania, East Germany, Bulgaria, Mainland China, Armenia, Azerbaijan, Georgia, North Korea, Albania, Idel-Ural, Serbia, Croatia, Slovenia, Tibet, Cossackia, Turkestan, North Vietnam, Cuba, Cambodia, South Vietnam, Laos and others; and

Whereas, the desire for liberty and independence by the overwhelming majority of peoples in these conquered nations constitutes a powerful deterrent to any ambitions of Communist leaders to initiate a major war; and

Whereas, the freedom loving peoples of the captive nations look to the United States as the citadel of human freedom and human rights and to the people of the United States as the leaders in bringing about their freedom and independence; and

Whereas, the Congress of the United States by unanimous vote passed Public Law 86-90 establishing the third week in July each year as Captive Nations Week and inviting the people of the United States to observe such week with appropriate prayer, ceremonies and activities; expressing their sympathy with and support for the just aspirations of the captive nations:

Now therefore, I, Tom Bradley, Mayor of the City of Los Angeles, on behalf of its citizens do hereby proclaim the week of July 16-22, 1978, as "Captive Nations Week" in Los Angeles, and call upon our citizens to join with others in observing this week by offering prayers and dedicating their efforts for the peaceful liberation of oppressed and subjugated peoples all over the world.

July, 1978

TOM BRADLEY,
Mayor.

President Carter's proclamation marking July 16-22 as Captive Nations Week has drawn criticism from the National Captive Nations Committee, whose members feel its language was exceedingly bland. As Lee Edwards, the NCNC's executive director, pointed out: "The occasion called for eloquence and commitment. What Mr. Carter gave us was bureaucratese and vapidness."

Edwards noted that the Carter document contained "no mention of dissidents, the Soviet Union, Helsinki, communism or even totalitarianism of the right as well as the left. Mr. Carter's proclamation was dull, lifeless, perfunctory. It screamed indifference." The disappointment should have come as no surprise. Last year, Carter almost became the first President since Congress initiated the observance back in 1959 not to mark the event with a proclamation. Only after an uproar of public protest occurred did Carter finally relent and issue a proclamation three days into Captive Nations Week, 1977.

PROGRAM OF 20TH CAPTIVE NATIONS WEEK, JULY 16 THROUGH 22, 1978

Horst Uhlich, chairman.

Dr. Ivan Docheff, Honorary Chairman.

Hon. Judge Matthew Troy, Honorary Chairman.

CAPTIVE NATIONS COMMITTEE OF NEW YORK

Honorary Chairman, Hon. Matthew J. Troy, Sr.—U.S.A.

Honorary Chairman, Dr. Ivan Docheff—Bulgaria.

Honorary Grand Marshal, Mr. John O. Flis, Esq.—Ukraine.

Chairman, Mr. Horst Uhlich—Germany.

Vice Chairmen:

Dr. Valentina Kalynyk—Ukraine.
Miss Frederike Tanner—Estonia.
Mr. Peter C. Wytenus—Lithuania.
Col. Nikolas Nazarenko—Cossackia.
Mr. Volodimir Hladky—Ukraine.
Mr. Riza Gulum—Crimean Tatar.
Ing. John Kosiak—Byelorussia.
Mr. John Y. Wang—China.
Mr. Harry de Cobot—Cuba.
Mr. Iskender Necef—Azerbaijan.
Mr. Peter Azuolas—Lithuania.
Mr. Selahattin Anginer—Balkan Turkey.
Secretary, Mr. Elmer Lipping—Estonia.
Treasurer, Mr. Valentin Cantor—Rumania.

Committees

Parade Chairman, Col. Nikolas Nazarenko—Cossackia.

Resolutions Chairman, Mr. Peter C. Wytenus—Lithuania.

Folklore Chairman, Miss Frederike Tanner—Estonia.

Signs Chairman, Mr. Volodimir Hladky—Ukraine.

Park Chairman, Mr. Iskender Necef—Azerbaijan.

Finance Chairman, Mr. Elmer Lipping—Estonia.

Press Chairman, Dr. Alexander Sokolyszyn—Ukraine.

Public Relations Chairman, Mr. Vern Michels—U.S.A.

These nations WILL be free . . . how soon, depends on you and me!

Albania, Armenia, Azerbaijan, Bulgaria, Byelorussia, Cambodia, China, Crimean Tartars, Cossackia, Croatia, Cuba, Czechia.

Germany, Estonia, Georgia, Hungary, Idel-Ural, Karatchays, Laos, Latvia, Lithuania, Mongolia, North Caucasus.

North Korea, North Vietnam, Poland, Romania, Serbia, Slovakia, Slovenia, South Vietnam, Tibet, Turkestan, Ukraine.

SUNDAY, JULY 16TH

9:30 A.M.: Procession on Fifth Avenue—59th Street to St. Patrick's Cathedral.

10:00: High Holy Mass—St. Patrick's Cathedral. Celebrant and Homilist: Prof. Dr. Walter Jaskewicz, S.J.

11:15: Procession up Fifth Avenue—St. Patrick's Cathedral to 72nd St., then to the Central Park Mall (Bandstand).

12 Noon: Rally at Central Park Mall.

Mistress of Ceremonies, Mrs. Mary Dushnyck.

National Anthem, Mrs. Helmi Mandsalu.

Pledge of Allegiance, Mr. Cosmo Gallo, Catholic War Veterans, Queens, New York.

Invocation.

Opening Remarks, Mr. Horst Uhlich, Chairman.

Brief Remarks, Honorary Chairman Dr. I. Docheff.

Captive Nations Week Proclamations.

Addresses, Honored Guests of the Committee.

Resolution, Mr. Peter C. Wytenus, Resolutions Committee.

Folklore Entertainment, Folkmusic, Folksongs, and Dances.

MONDAY, JULY 17TH

2:30 P.M.: Mayor Koch's Captive Nations Week Proclamation: Honorable Edward Koch, City Hall Blue Room, Manhattan.

Sponsoring organizations

American Association of Crimean Tartars.
Association of East Germans.
Americans to Free Captive Nations, Inc.
Azerbaijan Society of America.
American Friends of Anti Bolshevik bloc of Nations.
Bulgarian National Front of America.
Byelorussian American Association, Inc.
Byelorussian Congress Committee of America.
Committee for a Free China.
Committee of American Latvian Organizations in New York.
Croatian Central Committee Club.
Cuban National Committee of Captive Nations, Inc.
Catholic War Veterans of Queens County, New York.
Conservative Party of New York State.
Estonian American National Council.
AFABN Ukrainian Association.
Georgian National Front.
German American National Congress (DANK).
Hungarian Cross and Sword and Defense Committee.
Knights of Lithuania.
Lithuanian American Council of New York.
National Federation of Chinese Culture and Heritage.
New York County Conservative Party.
Romanian American Congress.
Slovak Catholic Sokol.
Serbian National Defense Council.
Turkestan American Association in the U.S.A.
Trinity Marching Band.
Karachay Turks Organization.
Ukrainian American Organizations of Metropolitan New York UCCA.
United Ukrainian Committee.
Westchester County Liberal Party.
War Veterans of Estonia.
World Federation of the Cossack National Liberation Movement.
Young Americans for Freedom.

MARCH ON FIFTH AVENUE FOR CAPTIVE NATIONS

Marchers mass up outside St. Patrick's Cathedral yesterday for parade up Fifth Ave. to 72d St. marking the beginning of Captive Nations Week. Groups representing Poland, the Ukraine, China, East Germany, Cuba and other Communist countries took part. Each year under an act of Congress the President proclaims a week for observation of the nation's commitment to the achievement of freedom throughout the world.

ADDRESS BY PREMIER SUN YUN-SUAN

Mr. Chairman, Distinguished Guests, Ladies and Gentlemen:

"To safeguard human freedom and resist Communist slavery" is both the shining banner and the righteous call of the movement supporting Captive Nations Week. The Republic of China was the first to respond to this great movement after it was initiated by the U.S. Congress in 1959. Many chapters of the World Anti-Communist League also have provided enthusiastic support. The movement has contributed to the solidarity of worldwide anti-Communist forces and the courage and confidence of peoples enslaved by the Communists as they seek freedom and survival.

In the world of today, freedom and democracy are confronted by Communist totalitarianism. Mankind faces unprecedented challenges: slavery against freedom and vio-

lence against justice. Whether the free democracies have the foresight and determination to face up to these challenges will be decisive for their own destiny and also for the security of the world and the well-being of humankind. Freedom and justice will finally prevail. However, we must halt the expansion of the evil forces as quickly as possible and end the status quo of "half freedom and half slavery" so as to relieve the enslaved peoples of their agony and shorten the distance to the goal of genuine freedom and peace.

We want to point out that the Communists on the Chinese mainland are the source of world turmoil. Many Asian countries have been overrun in the last two decades and more. This is evidenced in the fall of Cambodia, Vietnam and Laos, where millions of innocent people have been subjected to Communist massacre and persecution. Such a massive tragedy dispels all illusions about detente and appeasement, which can only lead the world into raging Communist flames and worsen human imperilment.

The Chinese Communists have a fragile power structure and their internal struggles are violent. Even so, the Peiping regime has clamored for implementation of the "four modernizations" and attempted to put up a false front of "unity" and "strength" so as to trick the free world and accelerate "third world" intrigues to alienate the democracies. In supporting the Captive Nations Week movement today, we must unite all anti-Communist forces, heighten our anti-Communist vigilance and enlarge the movement's influence in order to counter the Chinese Communist conspiracy.

The theme of this year's political call to "promote human rights and liberate enslaved peoples" is highly significant. As we know, the Chinese Communists are engaged in class struggle and imposing a rule of tyranny. They have reversed all human norms and standards. The people living on the mainland have lost all freedoms and their basic human rights, transforming that society into one that is dark, closed and devoid of liberty. Millions of people have been imprisoned, tortured and executed without trial. These bloodstained facts are verified by letters from the mainland and the accusations of freedom seekers. The recent public letter from defector Fan Yuan-yet to Hua Kuo-feng provides especially cogent testimony.

In upholding human rights, President Carter of the United States has proclaimed "Human Rights Day" and the "Bill of Human Rights." He has acted in the same spirit as the U.S. Congress in initiating Captive Nations Week; his aspirations of righteousness and motives of altruism are admirable. Human rights cannot, however, be upheld through the application of a double standard. People will be greatly confused if the principles of upholding human rights is applied in one place and ignored or overlooked in another place where human rights are under devastating attack. We seek to unite with all the democracies to raise high the anti-Communist banners of freedom and human rights. We want to convey the anti-Communist movement for freedom and human rights behind the Iron Curtain and to the Chinese mainland.

The Republic of China adheres to its anti-Communist national policy and remains in the democratic camp. Despite the buffeting of international countercurrents and the tumult and unrest in Asia, the Republic of China has never cowered in the face of adversity, changed its position to accord with the international situation or been swayed by event. To the contrary, this country has become ever more self-reliant with dignity, has always stood steadfastly in the free and democratic camp, and has joined with other countries and spared no effort in its staunch struggle to defend freedom and oppose slavery.

The purpose of supporting Captive Nations Week is not only to liberate the captive peoples and assure them of freedom and their right to survive. We must also exert every effort to halt Communist expansion and thus assure that those who are still free will not be subjected to Communist enslavement and persecution. Consequently, the free world should be alerted to a recognition of these points:

First, Communist expansion and aggression is the root of all the turmoil in the world. Before undertaking armed aggression, the Communists customarily employ their evil united front tactics of alienation, infiltration and subversion. Only by engaging in steadfast anti-Communist struggle can freedom-loving and peace-loving peoples avert Communist enslavement.

Second, no matter how the Chinese Communists may smile or how Peiping confronts Moscow, their final objective is the communization of the world and the enslavement of mankind. If the free world pins its hopes on these Chinese Communists as one side of "checks and balances" or of a "strategic balance of power," more international tension will ensue until the eruption of a war crisis.

Third, although the path of anti-Communist struggle is tortuous and paved with thorns, humanity will finally triumph over bestiality, justice over evil and the day over the night. This is an ironclad rule of history and a natural consequence. No matter how frantic and cruel the Communist forces may be, the people of the free world have nothing to fear: no matter how frustrating the anti-Communist situation may appear, the people have no reason to be downhearted. Actually, the anti-Communist people have already heightened their vigilance, and those who originally harbored illusions about the Communists have come to their senses and rejected them, realizing that the Communist system and way of life can never be accepted by free people.

Ladies and gentlemen: We are convinced that there can never be coexistence between human rights and totalitarianism or between freedom and slavery. Let all who respect human rights and freedom unite together in common struggle, raise up their moral courage, promote the strength of justice and much courage only forward to assure freedom and peace for humankind.

Speech by Hon. Bertrand Motte
French Representative

We are quite a number to come here to attend this "Captive Nations' Week" organized by the Republic of China. Our long trip above seas and mountains, while passing through so many countries on the way, has strengthened our thinking of the necessity of the defence of freedom.

Recalling local wars and interior killings as happened in so many countries, it is well-noted that the specter of Communism was behind those wars either in Middle East, Asia or Africa. Communism does it either by war or by subversion always by violence. All over the world there is not a single country where Communists come to power through legal and democratic channel.

We also note that the Marxist Imperialism attacks by priority the weak nations. They are not only militarily weak nations but also especially weak nations for the fact they are divided into rival fractions, their economy is powerless to combat poverty, their social system is unjust and does not equitably distribute the goods to all those in need of it.

China and Europe are heirs of historic and ancient civilizations. Those civilizations have not only established on their land the monuments witnessing their grandeur, and filled their museums with treasures, but have installed, above others, in the spirit and the heart of the populations the spiritual and social values which are the very conditions of national power.

We have observed that in 1949 when Generalissimo Chiang Kai-shek decided to reconstitute in Taiwan a young and new nation, his first directive to the Chinese people is to preserve the spiritual, cultural, and family values, which constitute the Chinese civilization one of the oldest and most marvelous in the world.

This example is good for us Europeans, it is the same combat and we have to lead against the Marxist subversion on our territory, it is indispensible for us and for you to oppose materialism with barriers of spiritual and cultural values which have made in the past the grandeur and power of the European people.

The second explanation of your success, I found it in the internal union of the people of the Republic of China. Communism has recourse to the class struggle to divide the people; they know that the people divided among themselves by internal struggles, and the citizens who defend the particular interest before the national interest, are the weak peoples and are ready to succumb into the Communist domination.

The Republic of China, we notice has assured the unity of her people not only through the latter's satisfaction of the spiritual and historical values but also by giving to the magnificient economical effort that you conduct in the countryside as well as in your factories, the indispensable prolongation of a policy of social justice. All the observers acknowledge the success of your land reform which has distributed the land to the farmers and the progressive and social character of your industry.

Your industry shows a high technology to the competitiors and the businessmen who begin to know it in the whole world. It also shows an exemplary social value in the face of all those who desire the final goal of the industrial civilization to carry the improvement to all the workers.

But the "Eurocommunism" maintains in several countries a climate of political struggles which slow down the social progress. May I wish that the French and the European peoples, with the same means that you have, could establish in their country the social concord as is indispensable to the progress of everything and everybody.

Finally, you have understood—and this is the third homage I give to you—better than many other Western countries, the political prolongations that are included in an intelligent and human capitalistic system based on the confidence in man and on economy of market and competition.

The political freedoms and the economical freedoms are indivisible, either have them or lose them simultaneously.

From this point of view, the Republic of China serves a good example.

The inadmissible cowardice of the international diplomacy has tried in vain to reject the ROC out of the big nations. Nothing can prevent that your Republic, thanks to the people's fidelity to her culture and her history, thanks to the solidity of her armed forces, to the quality of her industry and agriculture, enters everyday with larger force in the first ranks of the countries defending the camp of freedom.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. White) is recognized for 5 minutes.

● Mr. WHITE. Mr. Speaker, in my absence from Washington for official business in the 16th district last Thursday and Friday, I missed several recorded votes. I would like to go on record as follows:

On roll call No. 646. August 3, 1978, amendment to H.R. 12931 that reduces total appropriations not required by law for Foreign Assistance Act activities by 2 percent, except for economic support funds for Israel, Egypt, and Jordan: "yes";

On roll call No. 648. August 4, 1978, amendment to H.R. 12931, as amended by a substitute, that reduces foreign military credit sales appropriations by $12.6 million, and that provides that not more than $2.5 million of the appropriations shall be available for Lebanon and not more than $8.5 million shall be available for Jordan: "yes"; and

On roll call No. 649. August 4, 1978, adoption of rule waiving certain points of order against H.R. 13635, making appropriations for the Department of Defense for the fiscal year ending September 30, 1979: "yes."●

6-MONTH COMPARISON OF EMPLOYMENT STATISTICS SINCE LAST INCREASE IN MINIMUM WAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. DENT) is recognized for 5 minutes.

● Mr. DENT. Mr. Speaker, I want to take this opportunity to include in the RECORD a letter I have just received from the AFL–CIO. The letter offers a 6-month comparison of employment statistics since the last increase in the minimum wage. I think it entirely appropriate to include such information at a time when a common topic of conversation has been the possibility of delaying the next minimum wage increase as a way to fight inflation.

I would commend this letter to my colleagues:

AFL–CIO,
Washington, D.C., July 13, 1978.

Hon. JOHN H. DENT,
U.S. House of Representatives,
Washington, D.C.

DEAR JOHN: After extensive hearings and long after a need was established, the Congress passed the 1977 Amendments to the Fair Labor Standards Act. The law, as amended, required that the minimum wage be increased from $2.30 to $2.65 an hour on January 1, 1978 and provided for three additional annual increases.

The voices of gloom and doom were raised even more loudly this year than has been usual in the 40-year history of minimum wage legislation. Forecasts of job cutbacks and massive teenage unemployment were voiced by the traditional opponents of minimum wage legislation. Little or no concern has been expressed about how the lowest paid workers are surviving in a period of accelerating inflation. Instead, proposals to rescind legislated future minimum wage increases have been coming from the most affluent segments of the economy.

It seems useful, therefore, to describe the employment situation now that the $2.65 minimum wage rate has been in effect for six months.

On July 7, 1978 the Bureau of Labor Statistics published its release on the employment situation, as of June 1978. The BLS highlighted the release with such statements as, "Employment rose sharply in June and unemployment declined." "June marked the first time that the jobless rate had been below six percent since October 1974." "Teenagers accounted for about half of the 400,000 June decline in unemployment, as their rate dropped from 16.5 to 14.2 percent."

These BLS statements refer to changes between May and June 1978. For minimum wage purposes, a six-month comparison is more meaningful. Between December 1977 and June 1978:

Total employment increased by 2,210,000;
Total unemployment declined by 556,000;
Overall unemployment rate declined from 6.4 to 5.7 percent;
Teenage employment increased by 337,000;
Teenage unemployment rate declined from 15.6 to 14.2 percent;
White teenage unemployment rate declined from 12.7 to 11.6 percent; and
Black teenage unemployment rate went from 38.0 to 37.1 percent.

It would be helpful if the anti-minimum wage forces would take time out to examine the record—both past and present. We hope that proponents of a stay in the next legislated increase in the minimum wage will read this year's record. Even more, we hope that they will not ask the lowest paid workers to bear the full brunt of inflation while they debate how to win the battle against inflation.

Sincerely,

ANDREW J. BIEMILLER,
Director, Department of Legislation.●

THE 1980 SUMMER GAMES SHOULD BE TRANSFERRED FROM MOSCOW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. GIAIMO) is recognized for 5 minutes.

● Mr. GIAIMO. Mr. Speaker, while I applaud the recent action that the administration took in response to the convictions of Anatoly Scharansky and other dissidents in the Soviet Union, additional action is imperative.

What I believe to be a more effective response was advanced by the gentleman from Massachusetts (Mr. DRINAN). On July 18, he introduced a resolution urging the U.S. Olympic Committee to take all necessary action to secure the transfer of the 1980 summer games from Moscow. I support this resolution and am pleased to be a cosponsor of it.

The 1980 summer Olympics will be the first Olympiad to be held in a Communist country. They will bring the Soviet Union two things they desperately need: publicity and Western currency. The Soviet Union sees the Olympics as an opportunity to show the world the athletic and material successes achieved by their socialist system. They will use the Olympics as a propaganda extravaganza to rival the Berlin games of 1936.

A transfer of the 1980 summer Olympics, however, will show that the world will not permit the brutal disregard for basic personal freedom to be obscured by the Olympic banner.

Some people will say that the Olympics should not be used for political purposes. These are dreamers who disregard reality. The Olympics were politicized as early as 1936. In that year, the United States acquiesced to a Nazi request and removed two Jewish sprinters from our team, an acting unknown to most of us until now. Who is to say that the Soviet Union will not make similar "requests" of us in 1980?

Some people already are arguing that any attempt to transfer the summer games would not work. How will we know if we don't try? I cannot believe that our national will and sensitivity to injustice has so deteriorated that we will not object strenuously to these flagrant disregards for basic human rights.

Other people have argued that a transfer of the Olympics would not be "appropriate." Nothing could be further from the truth. A transfer of the games would hit the Soviet Union where it really hurts—in its image before the world. As masters of propaganda, the Soviet Union and its friends have spent time and money shining up the image of the U.S.S.R. before the peoples of the world. No amount of polish, however, can change the realities of the Soviet system and its brutal disregard for the individual.

The recent trials—which bring to mind the infamous "show trials" of the late 1930's—were designed to pressure the West into moderating its support for those Soviet citizens seeking freedom of expression or the right to emigrate. Counterpressure of a similar nature is required, and the Olympics provide the perfect opportunity to exert this type of pressure.

Mr. Speaker, 42 years ago we closed our eyes to totalitarianism at the Olympics. Perhaps we were a bit naive then, too preoccupied with our own problems to face reality. We paid dearly for that mistake.

Why repeat this mistake in Moscow? Why close our eyes to the truth? If the American people still believe in the Declaration of Independence and the Bill of Rights, they will urge the USOC to get the 1980 summer Olympics moved from Moscow. This resolution should offer the encouragement that is needed at this time.●

PUBLIC POWER FOR WESTCHESTER COUNTY, N.Y.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. OTTINGER) is recognized for 15 minutes.

● Mr. OTTINGER. Mr. Speaker, for almost 10 years I have been working to replace the Consolidated Edison Co. of New York, Inc., with a public utility in Westchester County, a move that would enable Westchester consumers to save millions of dollars. Right now the people in my district pay the highest electrical rates in the world; yet Con Ed is again asking for a rate increase while continuing to just pass the buck on to its customers when confronted about these exorbitant rates.

In the following article that appeared in Westchester Rockland newspapers the author, Milton Hoffman, speaks di-

rectly to the need for the voters of Westchester County to have a say in this matter. I commend this excellent article to my colleagues' attention:

CON ED WOULD BE RESPONSIBLE FOR ITS OWN DEPARTURE

(By Milton Hoffman)

It's true that Westchester County Executive Alfred DelBello, Rep. Richard Ottinger and County Legislator Ron Tocci were first to propose a government takeover of Consolidate Edison electric operations in Westchester.

But the real credit for this week's Beck report, which supports a takeover, belongs to Con Edison itself.

Because Con Edison for years has dared somebody—anybody—to knock the chip off its broad, monopolistic shoulder.

The arrogance of the firm was displayed in public just this week. Here was Charles Luce, the chairman of the firm, telling the Westchester County Board of Legislators that the figures in the Beck report were all wrong. This is the same Charles Luce whose firm refused to turn data over to Beck and refused to permit Beck to enter the Con Edison plants to make an inventory. How's that for nerve?

It's been almost two years since DelBello and friends first advocated the takeover route as a way to cut the high cost of electricity that has bled homeowners and forced many businesses to leave this area. During that period, Con Edison had ample time to propose some real cost-cutting.

What was needed was innovation—ways to produce and distribute electricity at a lower cost. Instead, what did Con Edison do? It repeated the old bromide that the best way to cut costs is to reduce the taxes that Con Edison now pays to municipalities. We'd like to have a kilowatt for every time that phrase was used. Even without taxes, Con Edison's rates are higher than those of any other electric utility. Con Edison's favorite proposal is that the cost be shifted from one pocket of the ratepaying taxpayer to the other. Hardly a solution.

Then Con Edison put the blame on the high cost of oil, a cost automatically passed on to the consumer. But did Con Edison propose any alternatives except those that would pollute the air in New York City? No. There were no proposals for windmills, solar energy, tidewater or hydroelectric generators forthcoming from this technological giant.

Nothing.

Having established the reason for the Beck study, let's try to figure out who is closer to the facts, Beck or Con Edison. There is a disparity of $1.5 billion. Con Edison says it would cost $2 billion for the county to acquire and operate the electric lines, four times more than Beck estimates. But it should be pointed out that the Con Edison figure has been jacked up by $1 billion in recent weeks from the utility's original claim. That's a doubling of the cost by Con Edison and its own consultants after it appeared that the county was serious.

Any objective person would have to figure that, with that background, Beck should be closer to the truth than Con Edison. Beck, an established engineering firm, has nothing to gain or lose in this venture. Under a resolusion passed by the county board, Beck and other present consultants are barred from receiving a contract for further work on the project. Con Edison has everything to lose and would like to gain.

The key question is whether the courts would increase the costs of the acquisition by giving Con Edison huge "severance" damages or damages for "intangibles." If Con Edison is so sure of itself, why doesn't it agree to join with the county and go to the courts together to try to get an advance ruling that would establish the probable costs. If the costs are so high that they would force the county to back down, then Con Edison is a big winner and it can continue to do what the state law and the Public Service Commission now permit it to do: receive a guaranteed return on its investment, which means guaranteed profits, no matter how well or how poorly it is run.

But knowing Con Edison, we doubt they would do the public this service. Instead, the onus of finding ways to cut electric rates will be left with the people of Westchester and ultimately with the county executive and the legislators.

This brings up a question that many persons believe is paramount. Does the county government—executive and legislative—have the courage and stamina to go all the way with the takeover, even if the voters give them the authority overwhelmingly this November?

Past performance would indicate that when the final decision is to be made, the officials and legislators will scatter in all directions and avoid making the big decision.

The indicators of the past include the handling of the garbage crisis so far in the county. Two years ago, the legislators approved two sites for energy-producing, power-generating plants. But when the proposal was put to them earlier this year, they scattered all over the place.

When the county administration came up with a proposed site in Peekskill for a sewage sludge composting plant, the legislators at least had the decency to reject it right off the bat—but didn't come up with any logical alternate sites.

DelBello, the leader of the executive branch, is not faultless in these and other indecisions and vacillations of the board. A good executive finds ways to persuade legislative bodies to make the hard decisions. It happens in Albany every year—a governor, working with at least one legislative house controlled by another party, gets around the political roadblocks in give-and-take, head-to-head negotiating. There is a little give here and there, and government is able to carry on.

If the county legislators approves a referendum on the take over issue next week, they will not necessarily be committing themselves for the future. Rather, many will just be offering the voters a chance to express themselves. If the voters give the green light to the government to acquire the Con Edison property and sell up to $754 million in bonds, the final decisions will have to be made next year by the county executive and the legislators. With such a past record, can they?

Perhaps in all this, Con Edison finally will get the hint and come up with some solid alternatives to public ownership and find less-costly ways to serve the public, which would be fitting for a company that made a $149 million profit for the first half of this year and which still is asking for a $215 million rate increase.

Milton Hoffman is politics writer for Westchester Rockland Newspapers.●

ADMINISTRATION SUPPORT OF CONFERENCE REPORT ON THE CONSUMER COOPERATIVE BANK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. ST GERMAIN) is recognized for 5 minutes.

● Mr. ST GERMAIN. Mr. Speaker, very soon the House will be taking up the conference report on H.R. 2777—the National Consumer Cooperative Bank Act—and I am hopeful that we will have an overwhelming vote for the American consumer.

The legislation, which will give the consumer a new voice and a new means of combating inflation, is fully supported by the Carter administration.

I have today received a letter from Mrs. Esther Peterson, the Special Assistant to the President for Consumer Affairs, reaffirming the administration's support for the legislation. Mrs. Peterson states:

I am pleased to report to you that the administration supports the conference report on the consumer cooperative bank bill, and I congratulate you and your colleagues on your fine work. The legislation which has emerged is a thoughtful and well-balanced initiative and within the budgetary parameters established by the administration for this legislation.

Mr. Speaker, I place in the RECORD a copy of Mrs. Peterson's letter:

THE WHITE HOUSE,
Washington, August 3, 1978.

Hon. FERNAND J. ST GERMAIN,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN ST GERMAIN: I am pleased to report to you that the administration supports the conference report on the Consumers Cooperative Bank bill, and I congratulate you and your colleagues on your fine work. The legislation which has emerged is a thoughtful and well-balanced initiative and within the budgetary parameters established by the administration for this legislation.

My initial contact with consumer cooperatives came during the late forties and the fifties when I lived in Sweden with my husband and family. While co-ops comprised only a small percentage of the businesses in Sweden, they often provided goods or services where those goods or services would not otherwise have been available. More importantly, it gave co-op members a direct stake in their communities and restored a sense of consumer sovereignty in the marketplace.

There is no reason to believe that the same would not be true here in the United States if consumer co-ops were given the chance. We have already seen over the past decades the successes that have been achieved through co-ops in the farm credit system. Your bill would do the same for consumers—not through a Government handout—but by making loans available, at a market rate of interest. In addition, technical assistance would be available where needed to increase the likelihood that a co-op would succeed.

I know that the President looks forward to signing this measure into law.

Sincerely,

ESTHER PETERSON,
Special Assistant to the President
for Consumer Affairs.●

CETA AND OLDER WORKERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. WAXMAN) is recognized for 10 minutes.

● Mr. WAXMAN. Mr. Speaker, during House consideration of H.R. 12452, the Comprehensive Employment and Training Act Amendments of 1978, I will offer an amendment to encourage the participation of middle and older age workers in CETA-sponsored programs.

The amendment is a recognition of the unique role older workers play in the U.S. labor force and proposes development of employment training programs which will encourage their continued

productivity. Specifically, the amendment provides incentives for the Secretary of Labor, through the title III discretionary fund, to develop employment training programs for middle and older age workers. The amendment provides that workers over 40 who are unemployed, underemployed, or economically disadvantaged be accorded special attention in keeping with the purposes of CETA title III.

Title III is a special discretionary authorization designed to enable sponsorship of employment programs for groups underserved by CETA title II. The statute specifies that youth, offenders, handicapped individuals, single parents, persons of limited English-speaking ability, older workers, and other disadvantaged groups may receive assistance under title III programs. Subsequent sections of the title encourage the Secretary of Labor to pay particular attention to the employment needs of native Americans, migratory workers, handicapped individuals, veterans, and displaced homemakers. My amendment would create a new section 309 for older workers modeled after these existing title III programs.

WHY PAY ATTENTION TO OLDER WORKERS

No group can more forcefully demonstrate employment discrimination in CETA programs than workers over 45. In fact, a report of the U.S. Commission on Civil Rights issued last December specifically cited CETA job programs for discrimination against participants based on age.

The age of participants in CETA title II, VI, and VII programs reflect a trend that the older a person becomes the less likely he or she is to become involved in an employment training program sponsored by the Federal Government. The Commission on Civil Rights' report confirmed what older workers have known all along—CETA prime sponsors place the highest priority on finding jobs for people between the ages of 22 and 44.

While older workers are more difficult to place than their younger counterparts, CETA was intended to provide job training and employment opportunities to economically disadvantaged, unemployed or underemployed persons irrespective of age. In practice, however, prime sponsors have focused their efforts on those age groups most easily placed in unsubsidized employment.

Although much attention is correctly focused on the employment needs of younger workers, older workers represent a substantial portion of the unemployed population. Approximately 1.4 million older Americans are currently unemployed and actively seeking work. Older workers represent over 20 percent of all unemployed Americans.

When these figures are combined with the category of "discouraged workers" the plight of the older worker becomes even more apparent. Discouraged workers represent a category of unemployed Americans who are no longer actively seeking work but who would accept a job immediately if one were available. In 1977 there were over a million such workers. 500,000 were over 40 and 330,000 were over 55. As this pattern has held constant over the past decade, it suggests a structural discrimination based on age against older workers seeking employment.

Admittedly, the rate of unemployment among older workers is lower than among younger age groups. But this statistic should not be misinterpreted to suggest that older workers have less need for employment training assistance.

Despite the overall low unemployment rate among older workers, their duration of unemployment is 30 to 70 percent longer than among younger age groups. In fact, men and women over 45 suffer durations of unemployment equal to that experienced by black teenagers.

These figures indicate that as long as the older worker remains employed he is in good shape. However, should he later lose his job due to downturns in the economy or the pressure of technological change, he will have a difficult time rejoining the labor force. CETA's bias toward younger workers reinforces this trend.

NEED TO KEEP OLDER WORKERS IN THE LABOR FORCE

Enactment of the Age Discrimination in Employment Act Amendments (ADEA) of 1978 was clear expression of congressional intent that older workers remain in the labor force. The new law abolishes mandatory retirement in the Federal service and reduces the mandatory retirement age in the private sector from 65 to 70. Workers between 40 and 70, those who are protected from age discrimination under the new law, make up over 40 percent of the U.S. labor force and 36 percent of the population.

As my colleagues are aware, the fundamental purpose of the new law is to promote employment of older persons based on their ability rather than age. We would be remiss in our commitment to the individual worth of older Americans if if we did not make a conscientious effort to encourage older Americans to stay in the labor force. Our expressed commitment to individual dignity, as embodied in the recently enacted ADEA amendments, demands that we regard the opportunity for a job as a basic human right.

Indeed, President Carter echoed this belief in his January 1978 State of the Union Message. The President noted:

> Job opportunity—the chance to earn a decent living—is also a basic human right which we cannot and will not ignore.

Mr. Speaker, it is an inconsistent public policy which eliminates mandatory retirement on the one hand but which fails to adopt policies to encourage older workers to stay in the labor force. The health of our economy demands we not frivolously waste the talents of our older workers. Middle and older age workers represent a vast resource of experience, talents, and intuitions we dare not neglect.

The U.S. Commission on Civil Rights characterized age discrimination in Federal programs as "widespread." In criticizing CETA and other Federal programs the Commission said:

> We are shocked at the cavalier manner in which our society neglects older persons who often desperately need federally supported services and benefits.

Mr. Speaker, middle and older age workers are confronted with major obstacles in attempting to entering the labor force. Federal job assistance programs are unresponsive to their needs. As presently structured, CETA does not work for older Americans.

Adoption of the older workers amendment to CETA title III is a first step toward addressing the serious problems noted in the report of the U.S. Commission on Civil Rights. The amendment is not, however, a cure-all. It is not a substitute for ending age discrimination in CETA title II, VI and VII programs. Further, the amendment should not be interpreted as an alternative to existing employment services available to the elderly poor under title IX of the Older Americans Act. My amendment is merely a supplement to existing programs and a much needed first step toward reducing the neglect of Federal manpower programs toward older Americans.

Age discrimination is a pernicious practice that cannot be permitted to dominate administration of Federal employment programs. It is not only a shameful waste of a precious natural resource but a violation of the most basic human rights Congress recognized in enacting the Age Discrimination in Employment Act Amendments of 1978 into law.

I urge my colleague's support of this important amendment during consideration of H.R. 12452 on Wednesday.

A copy of the amendment follows.

AMENDMENT TO H.R. 12452

Page 116, after line 15, insert the following new section:

"PROJECTS FOR MIDDLE-AGED AND OLDER WORKERS

"SEC. 309. (a) The Secretary shall—

"(1) develop and establish employment and training policies and programs for middle-aged and older workers which will reflect appropriate consideration of these workers' importance in the labor force and lead to a more equitable share of employment and training resources for middle-aged and older workers;

"(2) develop and establish programs to assist workers over forty years of age in pursuing second careers, including, but not necessarily limited to, work experience, vocational education, public service employment, on-the-job training, occupational upgrading, and job search and placement; and

"(3) conduct research on the relationships between age and employment and insure that the findings of such research are widely disseminated in order to assist employers in both the public and the private sectors better understand and utilize the capabilities of middle-aged and older workers.

"(b) In carrying out the provisions of subsection (a), the Secretary shall provide for appropriate arrangements to be made with prime sponsors, members of the business community (including small business), labor organizations, local educational agencies, and community-based organizations as defined in section 125(4) of this Act. Such arrangements may include, but need not be limited to—

"(1) an analysis of the local labor force on the basis of such factors as age, educational background, income, race, and sex, focusing particularly on comparative rates of labor force participation and of unemployment and underemployment among the various demographic groups studies;

"(2) an assessment of each participant's skills and work experience for purposes of formulating realistic second career objectives, including formal vocational testing instru-

ments supplemented by such functional assessment methods and techniques to detect those skills and abilities of a participant as may be related to desired second career and occupational upgrading objectives;

"(3) second career and occupational upgrading counseling by individuals knowledgeable about the employment and training needs of middle-aged and older workers;

"(4) the establishment of second career objectives which will—

"(A) provide reasonable assurances to the participant that public and private sector demand exists for the skills developed in the second careers program; and

"(B) enable the participant to compete successfully in the job market; and

"(5) establishment of formal second careers training agreements, between participants and program sponsors, which—

"(A) set forth the career objectives of the participants and the steps required of each participant and prime sponsor to achieve these objectives;

"(B) will remain in force until its terms are fulfilled, or renegotiated or terminated according to such procedures as shall be prescribed by the Secretary; and

"(C) may be renegotiated or terminated, at any time, by the participant, or by the program sponsor for good cause.

"(c) The Secretary is hereby authorized to pay program sponsors reasonable training costs to participants in second careers programs to the extent necessary to achieve the objectives of such programs, in accordance with regulations prescribed by the Secretary, but in no case shall such payment exceed the permissible maximum under section 121 (c)(1)(B). Such costs may include reasonable tuition for participants engaged in technical or other institutional training and payments to program sponsors providing on-the-job training, provided that such payments are based on the actual number of hours of such training given to the second careers program participant. The Secretary is authorized to pay for equipment, materials, and such other costs necessary for a participant to achieve the objectives of his second careers program.

"(d) Programs assisted under this section may provide for participation in employment and training programs on a part-time or flexible-time basis.

"(e) Participants in programs authorized under this section shall be individuals over the age of forty who are unemployed, underemployed, or economically disadvantaged, who have a per capita income which is not in excess of 125 percent of the Bureau of Labor Statistics lower living income level.

"(f) For the purposes of carrying out this section, the Secretary shall reserve from funds available for this title not more than 10 percent of the amount allocated pursuant to section 202(a).

"(g) No provision of this section shall be construed as intending any diminution of the employment and training opportunities available to workers over 40 years of age under titles II, VI, and VII of this Act.

Conform the table of contents accordingly.●

AUTHORIZING GSA TO CHARGE FOR MOTOR POOL VEHICLES ON THE BASIS OF ESTIMATED REPLACEMENT COST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. JOHN L. BURTON) is recognized for 5 minutes.

● Mr. JOHN L. BURTON. Mr. Speaker, the interagency motor pool system, operated by the General Services Administration, has a fleet of about 85,000 sedans, trucks, and other vehicles to be assigned or dispatched to Federal agencies for their official use.

GSA bills agencies for the use of these vehicles by assessing a monthly rate to cover fixed operating costs such as depreciation and by charging a mileage rate to cover variable operating costs such as gasoline. This is much the same way Hertz or Avis charges its customers.

Operation of this GSA fleet saves the Government money, since the vehicles are subject to high utilization and tight control.

Inflation, technological change, and Government-mandated environmental and safety modifications have substantially increased the cost of motor vehicles during the 1970's. For example, GSA paid an average of $2,835 for a Government vehicle in 1972. By 1977, this average price increased to $4,144. It will be higher still in 1978.

The Administrator of General Services recently recommended a technical change in the Federal Property and Administrative Services Act of 1949 to permit GSA's recovery of the replacement of cost of motor vehicles and related equipment, rather than merely the original purchase price.

Such a recommendation is in line with the March 19, 1976, report of the General Accounting Office entitled "Operations of the General Services Administration's General Supply Fund."

Today, I am introducing a bill to accomplish that purpose.

To describe the matter more fully, GSA's problem is in trying to finance the replacement of aging and high-mileage vehicles that must be retired from its fleet. According to the General Accounting Office, the language of section 211(d) of the Federal Property and Administrative Services Act of 1949 does not permit the recovery of vehicle replacement cost through charges to customer agencies.

In any given year, GSA should replace about one-sixth of its fleet. Since depreciation charges to using agencies must be based solely on original acquisition cost, GSA has not been able to obtain sufficient funds to replace vehicles in a normal cycle. This inability to keep pace with inflation and other increased costs has forced GSA to retain high maintenance, less fuel-efficient, older vehicles in the fleet. GSA recognizes this is contrary to good business practices but has no alternative now.

The new bill would remedy the technical insufficiency of section 211(d). It would authorize the Administrator of General Services to recover, so far as practicable, all elements of costs, including increments for the estimated replacement cost of vehicles to Federal agencies. Another technical change would permit retention as part of the capital of the General Supply Fund increments for the estimated replacement cost of vehicles, equipment, and supplies.

Mr. Speaker, I hope that it will be possible to move expeditiously with this much-needed legislation.●

MISLEADING REPORTS OF CONTRASTS IN AMERICAN AND SOVIET PRIORITIES

(Mr. DELLUMS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. DELLUMS. Mr. Speaker, a report published by the U.S. Arms Control and Disarmament Agency (ACDA) has published comparative figures for 1976. These figures would indicate that the Soviet Union spends more on the military and less on public spending that does the United States. If one compares the actual data, it can be seen that the contrary is true.

These seeming contrasts in American and Soviet priorities are grossly misleading, since the figures are derived by means of a double standard of calculation. Soviet military spending is calculated directly in dollars at the prices that the United States, using American costs, would have to pay for the estimated Soviet military effort. In addition, the Soviet military effort is somewhat magnified by adding to military manpower the number of personnel in internal security and border guards, which do not have the equivalent missions of U.S. servicemen.

Public health expenditure in the Soviet Union, on the other hand, is taken from Soviet-reported ruble figures on budgetary and nonbudgetary public health outlays, which are converted into dollars at the official ruble-dollar exchange rate. No attempt has been made, as in military outlays, to price Soviet health spending at American costs. If this were done the dollar value of Soviet health spending would be astronomical and quite embarrassing because of the very high salary level of American physicians and steep hospital costs.

Let us look at the data base for Soviet public health spending (which includes nearly all health spending, as there is virtually no private health spending). In 1976 the number of physicians and dentists in the Soviet Union was nearly double that in the United States (864,600 to 479,033). This comparison excludes approximately 600,000 Soviet medics with partial medical training. The number of nurses in the Soviet Union was about 1,300,000 as compared to 1,000,000 in the U.S. hospital capacity (as measured by number of hospital beds) was also greater in the Soviet Union (3,076,000 beds to 1,466,000). It is clear that if health outlays were priced under the same principle as military spending Soviet health spending would zoom into the stratophere. Imagine the effect alone of attributing American doctors' salaries to Soviet doctors.

Consequently, the ACDA figures, as they are presented, constitute a public deception misrepresenting the order of priorities in the Soviet Union and contributing to a perception of exaggerated Soviet military extravagance. The double standard of cost calculation also contributes to greater ease in securing defense appropriations in this country. Therefore, the public, or at least the Con-

gress, should be aware of the official dichotomy in calculating comparative defense and public health spending.●

PERSONAL EXPLANATION

(Mr. MIKVA asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. MIKVA. Mr. Speaker, I was unable to take part in two rollcall votes on Wednesday, July 19 and Monday, July 24, 1978. Had I been present, I would have voted as follows:

Rollcall No. 568, H.R. 11983, "yea";
Rollcall No. 588, H.J. Res. 946, yea." ●

PERSONAL EXPLANATION

(Mr. MIKVA asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. MIKVA. Mr. Speaker, I was unable to take part in two rollcall votes on Thursday, July 27 and Friday July 28, 1978. Had I been present, I would have voted as follows:

Rollcall No. 606, S. Con. Res. 98, "yea";

"Rollcall No. 617, Butler amendment to H.R. 12432, "no." ●

PERSONAL EXPLANATION

(Mr. MIKVA asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. MIKVA. Mr. Speaker, I was unable to take part in four rollcall votes on Thursday, August 3 and Friday, August 4, 1978. Had I been present, I would have voted as follows:

Rollcall No. 646, Harkin amendment, "yea";

Rollcall No. 647, COWH, H.R. 12931, "yea";

Rollcall No. 648, Harkin amendment, "yea";

Rollcall No. 649, H. Res. 1291, "yea." ●

THE DOUBLE-EDGED SWORD OF HUMAN RIGHTS

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. SEIBERLING. Mr. Speaker, if last week's debate on the foreign aid appropriations bill proves anything, it is that the problem of dealing with human rights violations in other countries is an extremely difficult one, with repercussions that go way beyond the specific issues themselves. However, I believe that certain perspectives are beginning to emerge.

First, it seems to me that while it is desirable for the Congress and the President to have as our aim the advancement of basic human rights wherever possible and to define what we believe those rights to be, we cannot adopt a rigid line applicable to all countries and all situations. Each country and each situation must be approached in its own context as well as in the overall context.

Second, our actions must take into account our ability to effect improvements and, particularly, whether the action will likely be productive or counterproductive in advancing the rights of the people we seek to help.

Third, we must decide which of the various options and forums available to us are most suitable for achieving the particular human rights goals that the situation calls for.

Fourth, and probably most important from the standpoint of our national interest, we must consider the effect of any such action on our global interest in the defense of freedom and the evolution of a more peaceful and humane world. It would be tragic, for example, if unilateral actions to advance human rights or to protest violations went so far as to destroy or cripple the institutions of international cooperation that we have helped create to protect freedom and peace and improve the tragic living conditions of so many of the world's people.

Obviously, there will continue to be differences within the Congress and the administration as to how to apply such considerations in particular cases. In the hope, however, of promoting a more realistic and workable consensus, I would like to call attention to an article in the Washington Post for Wednesday, August 3, by Mr. Townsend Hoopes, who served as Under Secretary of the Air Force in 1967 and 1968. His comments, while frankly critical, are also constructive.

Mr. Hoopes commences by observing that the arrest and conviction of certain Soviet dissidents and the resulting aggravation of tension in United States-Soviet relations appears to be "attributable mainly to the naive, unwise overreaching of the Carter administration's human rights policy toward the Soviet Union." He observes that, in the context of détente, the Soviet leadership had already accepted a certain level of unsettling Western influences, even where these led to some gradual opening up of their system. He states that—

> Such a process is indeed the hope and subtle tactic of Soviet moderates, who want to see a developing liberalization of their society, but who are profoundly aware that change must come slowly—and, above all, by indirection—if it is not to provoke crippling resistance . . . A direct attack on the system, coupling criticism with demands for swift and far-reaching change, is a formula guaranteed to produce a severe backlash of repression.

He adds that recognition of the fact that a human rights crusade against the Soviets is a dangerous double-edged sword does not mean giving up on human rights but rather requires "the making of selective efforts, preferably in multilateral forums, to place the Soviets on the moral defensive."

Finally, Hoopes urges a greater degree of self-discipline and a surer sense of the inherent limits to action in this area. In particular, he points out that we cannot approach the human rights problem in the Soviet Union as essentially an extension of the domestic civil rights problem in the United States and susceptible to solution by the same general tactics. I would add that it is, perhaps, the failure to recognize this type of distinction that led our distinguished former colleague, Ambassador Andrew Young, into the verbal trap of seeming to equate human rights problems in this country with those in the Soviet Union.

The same sort of failure to make appropriate distinctions has also led some of us into the similar trap of attempting to gloss over or excuse human rights violations by governments of countries with whom we have alliances or other close relations by arguing that, after all, human rights violations take place in the United States too. Recognizing the limitations on our ability to influence the internal policies of a nation to whom we are opposed does not require us to recognize the same limitations on our ability to influence human rights conduct in countries with whom we are allied or who are, in one way or another, supported by us either through direct economic or military support or extensive private investment. It is not only right, indeed it is essential to the preservation of our reputation, as a country that stands for freedom and human decency, that we insist that our friends and allies refrain from gross violations of human rights.

But that is not the only reason. We are also interested in the continued viability of the national governments with which we have alliances or other close ties. When we see governments, such as the government of the Shah of Iran or of Philippine President Marcos, slipping into the same sort of pattern of repression that undermined other former friendly governments—governments that collapsed in whole or in part because their people lost faith in them—then it is in our interest to warn them and to influence them to change direction. The fall of the Batista regime in Cuba and the Thieu regime in South Vietnam came about partly because many of the people of those countries were no longer able to see any significant difference between the conduct of those governments and their Communist foes.

Mr. Speaker, I offer the Townsend Hoopes' article for printing in the RECORD immediately following these remarks:

[From the Washington Post, Aug. 3, 1978]

THE DOUBLE-EDGED SWORD OF HUMAN RIGHTS

(By Townsend Hoopes)

It is difficult to escape the conclusion that the new aggravation of tension in U.S.-Soviet relations, brought about by the arrest and conviction of certain Soviet dissidents and "refuseniks," is attributable mainly to the naive, unwise overreaching of the Carter administration's human-rights policy toward the Soviet Union. Call the Kremlin leaders brutal, hypocritical and afraid of change they cannot control, and no objective observer will dispute the point; those are central facts in the equation.

But other central facts must also engage the attention of American statesmen concerned with the peace of the world and the maintenance of a stable manner of getting along with the other superpower. Among

them are the fact that the Soviet system is a working totalitarianism led by a convinced elite and tacitly supported by the majority of a population larger than our own; and that two products of Russian history—xenophobia and anti-Semitism—lie just beneath the surface, ready to be tapped and exploited for reasons of state.

In the context of détente, the Soviet leadership has accepted the infusion of a certain level of new and unsettling Western influences, even where these have led to gradual de facto openings in the system. Such a process is indeed the hope and subtle tactic of Soviet moderates, who want to see a developing liberalization of their society, but who are profoundly aware that change must come slowly—and, above all, by indirection—if it is not to provoke crippling resistance from the forces of patriotism and reaction. A direct attack on the system, coupling criticism with demands for swift and far-reaching change, is a formula guaranteed to produce a severe backlash of repression.

It now seems clear that both the scale and specificity of the Carter administration's assault on human rights failures in the Soviet Union brought Kremlin leaders to the conclusion, perhaps as early as a year ago, that Carter had not merely embarked upon an exercise in rhetoric—a broad, politically understandable restatement of fundamental American principles—but was in fact involved in actions aimed at shaking the Kremlin's grip on the country, at producing major changes in the Soviet power structure. Carter and the human-rights activists around him have steadfastly denied such an aim, and there is no reason to doubt their sincerity. But sincerity is no defense for a statesman who fails to grasp the realities and whose policies reap the whirlwind. The Carter initiatives in relation to the Soviet Union have been both dramatic and specific, and they have repeatedly engaged the personal prestige of the president of the United States in what The Washington Post has accurately called "Jimmy Carter's campaign to interfere in Soviet internal affairs in the name of human rights."

This has had at least three significant results, all unfortunate: First, it has given high visibility and false hope to a handful of remarkably brave but largely unrepresentative dissidents in the Soviet Union.

Second, it has brought the Kremlin leadership to the conclusion (whether or not justified) that it faces a serious internal threat and thence to a blunt determination to silence the dissidents and cut their links with the American press.

Third, the Soviet reaction has played directly into the hands of the hyperthyroid anti-communist fulminators on the American right who yearn to scuttle a new SALT agreement, a further nuclear test ban, wider trade relations or, indeed, any steps toward a broader and stabler accommodation with the Soviet Union.

This kind of analysis implies no sympathy for the Soviet leaders. Their response to dissent has been morally ugly, but they have acted predictably, on their own cold assessment of the power factors. One can better appreciate their viewpoint if one imagines the American reaction (official and popular) if Chairman Leonid Brezhnev were writing public letters of encouragement to the Weathermen or the Symbionese Liberation Army.

As others have pointed out, such analogies are imprecise; the Russian dissidents have not engaged in violent acts against the Soviet government. But the central point is relevant: The estranged groups in both countries are regarded by the dominant order as advancing unacceptable revolutionary aims by unacceptable means, and the dominant order has moved to defend itself. Seeing an immediate threat, the Soviet leaders have given first priority to its removal, accepting what ever may be the attendant risks for U.S.-Soviet relations.

Even as they acted harshly, however, they have given evidence of a conscious effort to limit the diplomatic damage. David Shipler, The New York Times's correspondent in Moscow, though the Scharansky case "a sharply focused attack" on Jewish activists, a warning against further attempts to use the American press as a lever to alter Soviet policy, yet also a signal that the Kremlin wants to avoid the extremes of either anti-Americanism or anti-Semitism.

On balance, nothing irrevocable has yet happened. The present sour state of U.S.-Soviet relations can be at least partially restored if Carter is able to instill more realism into his own thinking about the problem, to recognize at last that a human-rights crusade against the Soviet Union is a dangerous double-edged sword. That does not mean giving up the raising of human-rights questions in the context of détente—the making of selective efforts, preferably in multilateral forums, to place the Soviets on the moral defensive. It does mean that the president must exercise greater self-discipline and must achieve a surer sense of the inherent limits.

He must also take stronger action to restrain those in the administration who seem to see the human-rights problem in the Soviet Union as essentially an extension of the domestic civil-rights problem in the United States and susceptible to solution by the same general tactics. To understate the case, that is a misleading and perilous analogy.

HIS HOLINESS, POPE PAUL VI

(Mr. O'NEILL (at the request of Mr. GARCIA) asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. O'NEILL. Mr. Speaker, the world has lost a great leader and inspirational force with the passing of Pope Paul VI. Pope Paul inherited a Catholic Church in a transitional period and met that challenge with a sense of stability that marked him as a great man.

He impressed us all as a patient man who was willing to speak out when the times called for it. He had the courage that all of us in public life envy. He was truly a man we could look up to and be happy that he was in a position of great influence.

Above all, he was a man of peace, deeply committed to a world where every man and woman could enjoy human rights without fear of repression.

We all mourn his death. We all know that the world is a better place for his having passed our way.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. PEPPER (at the request of Mr. WRIGHT), for until 3 p.m. today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. CONABLE, for 15 minutes, today.

(The following Members (at the request of Mr. CORCORAN of Illinois) to revise and extend their remarks and include extraneous material:)

Mr. KEMP, for 10 minutes, today.
Mr. GOLDWATER, for 5 minutes, today.
Mr. ABDNOR, for 15 minutes, today.

(The following Members (at the request of Mr. GARCIA) to revise and extend their remarks and include extraneous material:)

Mr. GEPHARDT, for 15 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. PEPPER, for 5 minutes, today.
Mr. MOAKLEY, for 5 minutes, today.
Mr. FLOOD, for 5 minutes, today.
Mr. WHITE, for 5 minutes, today.
Mr. DENT, for 5 minutes, today.
Mr. GIAIMO, for 5 minutes, today.
Mr. OTTINGER, for 15 minutes, today.
Mr. ST GERMAIN, for 5 minutes, today.
Mr. WAXMAN, for 10 minutes, today.
Mr. JOHN L. BURTON, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. TREEN, and to include extraneous matter during consideration of H.R. 7161 on the Consent Calendar today.

Mr. EDWARDS of Alabama, and to include extraneous matter in connection with remarks during general debate today.

(The following Members (at the request of Mr. CORCORAN), and to include extraneous matter:)

Mr. GRASSLEY.
Mr. DERWINSKI in two instances.
Mr. ANDERSON of Illinois in two instances.
Mr. BOB WILSON in three instances.
Mr. ARCHER.
Mr. WHITEHURST.
Mr. WHALEN.
Mr. STEIGER in two instances.
Mr. KEMP in four instances.
Mr. DORNAN in two instances.
Mr. GILMAN.
Mr. RUDD.
Mr. FRENZEL in three instances.

The following Members (at the request of Mr. GARCIA), and to include extraneous matter:

Mr. ANNUNZIO in six instances.
Mr. ANDERSON of California in three instances.
Mr. GONZALEZ in three instances.
Mr. BROWN of California in 10 instances.
Mr. WOLFF in two instances.
Mr. PATTISON of New York.
Mr. PEASE.
Mr. EDWARDS of California.
Mr. PICKLE in 10 instances.
Mr. MAZZOLI.
Mr. SOLARZ in two instances.
Mr. BONIOR.
Mr. MITCHELL of Maryland.
Mr. MOTTL.
Mr. WAXMAN in six instances.
Mr. DOWNEY.
Mr. CONYERS.
Mr. RODINO.
Mr. MCDONALD in four instances.
Mr. HANLEY.
Mr. FORD of Michigan.
Mr. RANGEL.
Mr. WHITE.

Mr. FARY.
Mr. EILBERG.
Mr. JOHN L. BURTON.
Mr. BRECKINRIDGE.
Mr. OBERSTAR.
Mr. WEISS.
Mrs. LLOYD of Tennessee.
Mr. LEVITAS.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 3120. An act to enhance the flexibility of contractual authority of the Temporary Commission on Financial Oversight of the District of Columbia; to the committee on the District of Columbia.

ENROLLED BILLS SIGNED

Mr. THOMPSON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 8336. An act to authorize the establishment of the Chattahoochee River National Recreation Area in the State of Georgia, and for other purposes; and

H.R. 10929. An act to authorize appropriations for fiscal year 1979 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons and for research, development, test and evaluation for the Armed Forces, to prescribe the authorized personnel strength for each active duty component and the Selected Reserve of each Reserve component of the Armed Forces and for civilian personnel of the Department of Defense, to authorize the military training student loads, to authorize appropriations for civil defense, and for other purposes.

BILL PRESENTED TO THE PRESIDENT

Mr. THOMPSON, from the Committee on House Administration, reported that that committee did on August 4, 1978, present to the President, for his approval, a bill of the House of the following title:

H.R. 7581. To amend the Internal Revenue Code of 1954 with respect to the treatment of mutual or cooperative telephone company income from nonmember telephone companies, and for other purposes.

ADJOURNMENT

Mr. GARCIA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 8 minutes p.m.), the House adjourned until tomorrow, Tuesday, August 8, 1978, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4715. A letter from the Comptroller General of the United States, transmitting his review of the rescission of budget authority contained in the message from the President dated July 20, 1978 (H. Doc. No. 95-370), pursuant to section 1014(b) of Public Law 93-344 (H. Doc. No. 95-373); to the Committee on Appropriations and ordered to be printed.

4716. A letter from the Director of Legislation, Department of the Navy, transmitting notice of the Navy's intention to donate certain surplus property to the Admiral Nimitz Center, Fredericksburg, Tex., pursuant to 10 U.S.C. 7545, to the Committee on Armed Services.

4717. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 2-241, "To provide for the licensing by the District of Columbia of the business of selling, issuing or delivering checks, drafts and money orders as a service or for a fee or other consideration in the District of Columbia, and for other purposes," pursuant to section 602(c) of Public Law 93-198; to the Committee on the District of Columbia.

4718. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 2-242, "To eliminate harassment and unfair practices in consumer layaway plans, and for other purposes," pursuant to section 602(c) of Public Law 93-198; to the Committee on the District of Columbia.

4719. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 2-243, "To provide that federally assisted housing make payments in lieu of real property taxes," pursuant to section 602(c) of Public Law 93-198; to the Committee on the District of Columbia.

4720. A letter from the Secretary of the Treasury, transmitting the ninth quarterly report on antirecession fiscal assistance to State and local governments, pursuant to section 213 of the Public Works Employment Act of 1976, as amended; to the Committee on Government Operations.

4721. A letter from the Deputy Assistant Secretary of the Interior, transmitting notice of proposed modifications in three existing records systems, pursuant to 5 U.S.C. 552a (o); to the Committee on Government Operations.

4722. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in the cases of certain aliens found admissible to the United States, pursuant to section 212(a)(28)(I)(ii) of the Immigration and Nationality Act; to the Committee on the Judiciary.

4723. A letter from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b; to the Committee on International Relations.

4724. A letter from the Comptroller General of the United States, transmitting a report on implementation of home weatherization programs for the poor (HRD-78-149, August 2, 1978); jointly, to the Committees on Government Operations, and Banking, Finance and Urban Affairs.

4725. A letter from the Comptroller General of the United States, transmitting a report on the need for a second launch site for the space shuttle (PSAD-78-57, August 4, 1978); jointly, to the Committees on Government Operations, and Science and Technology.

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. DANIELSON: Committee on the Judiciary. H.R. 12393. A bill to provide for nationwide service of subpenas in all suits involving the False Claims Act, and for other purposes (Rept. No. 95-1447). Referred to the Committee of the Whole House on the State of the Union.

Mr. NEDZI: Committee of conference. Conference report on H.R. 12602 (Rept. No. 95-1448). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE 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. FISH: Committee on the Judiciary. H.R. 2939. A bill for the relief of Derrick Tan; with amendment (Rept. No. 95-1446). Referred to the Committee of the Whole House.

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. ABDNOR:

H.R. 13752. A bill to provide assistance to rural water systems in achieving compliance with title XIV of the Public Health Service Act, and for other purposes; jointly, to the Committee on Agriculture, and Interstate and Foreign Commerce.

By Mr. ASHBROOK:

H.R. 13753. A bill to provide for an advisory referendum with respect to a balanced Federal budget; to the Committee on Government Operations.

By Mr. PHILLIP BURTON (for himself, Mr. MEEDS, Mr. TSONGAS, Mr. SYMMS, Mr. OTTINGER, Mr. ASHLEY, Mr. DANIELSON, Mr. NIX, Mr. FASCELL, Mr. WINN, Mr. GILMAN, Mr. LLOYD of California, Mr. FORD of Michigan, Mr. STARK, Mr. PEASE, Mr. PRITCHARD, Mr. QUILLEN, Mr. BONKER, Mr. HOLLAND, Mr. LEDERER, Mr. MCFALL, Mr. VAN DEERLIN, Mr. BEARD of Rhode Island, Mr. MCHUGH, and Mr. MOSS):

H.R. 13754. A bill to provide that the Territory of American Samoa be represented by a nonvoting Delegate to the U.S. House of Representatives, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. CARNEY (for himself, Mr. MCCORMACK, Mr. GUYER, Mr. YOUNG of Missouri, Mr. RYAN, Mr. CORNWELL, Mr. CHARLES WILSON of Texas, Mr. FORD of Michigan, Mr. O'BRIEN, Mr. PATTERSON of California, Mr. SANTINI, Mr. BOB WILSON, and Mr. HILLIS):

H.R. 13755. A bill to promote steel trade negotiations under the Trade Act of 1974; to the Committee on Ways and Means.

By Mr. DERWINSKI (for himself, Mr. UDALL, and Mr. MCDONALD):

H.R. 13756. A bill to authorize the construction and maintenance of the Gen. Draza Mihailovich Monument in Washington, D.C., in recognition of the role he played in saving the lives of approximately 500 U.S. airmen in Yugoslavia during World War II; to the Committee on House Administration.

By Mr. DRINAN (for himself, Mr. BRECKINRIDGE, Mr. FLOOD, Mr. HEFTEL, Mr. ROE, Mr. STARK, and Mr. YATRON):

H.R. 13757. A bill to provide additional assistance to small business concerns in acquiring procurement information and contracts from the United States; to the Committee on Small Business.

By Mr. LEDERER:

H.R. 13758. A bill to amend the Internal Revenue Code of 1954 to provide the same

treatment, with respect to determination of sources of income, for interest paid by foreign branches of domestic banks and interest paid by foreign branches of domestic savings and loan institutions; to the Committee on Ways and Means.

By Mr. MAGUIRE (for himself, Mr. MITCHELL of Maryland, Mr. RODINO, Mr. ANDERSON of California, Mr. DOWNEY, Mr. BONIOR, Mr. PATTISON of New York, Mr. OTTINGER, Mr. MURPHY of Pennsylvania, Mr. PATTEN, Mr. RICHMOND, Mr. PRICE, Mr. STEERS, Ms. HOLTZMAN, Mr. TSONGAS, Mr. ROYBAL, Mr. PATTERSON of California, Mr. SCHEUER, and Ms. SCHROEDER):

H.R. 13759. A bill to provide Federal assistance for State programs which provide payments on behalf of senior citizen homeowners for the purpose of paying real property tax; to the Committee on Banking, Finance and Urban Affairs.

By Mr. MICHEL (for himself, Mr. BEDELL, Mr. BOWEN, Mr. CONTE, Mr. EVANS of Delaware, Mr. GIAIMO, Mr. GINN, Mr. GOLDWATER, Mr. KASTEN, Mr. LAFALCE, Mr. LOTT, Mr. MCHUGH, Mr. MURPHY of Illinois, Mr. NOLAN, Mr. NOWAK, Mr. THOMPSON, and Mr. RAILSBACK):

H.R. 13760. A bill to promote and coordinate amateur athletic activity in the United States, to recognize certain rights for U.S. amateur athletes, to provide for the resolution of disputes involving national governing bodies, and for other purposes; to the Committee on the Judiciary.

By Mr. MOTTL (for himself, Mr. DORNAN, Mr. EDGAR, Mr. GUYER, Mr. MADIGAN, and Mr. PATTERSON of California):

H.R. 13761. A bill to reduce the amount of paperwork required by Federal agencies and to increase congressional awareness of the increase in paperwork required by bills and joint resolutions under consideration by Congress; jointly, to the Committees on Government Operations, and Rules.

By Mr. ROBERTS (for himself, Mr. SATTERFIELD, Mr. EDWARDS of California, Mr. MONTGOMERY, Mr. CARNEY, Mr. DANIELSON, Mr. WOLFF, Mr. BRINKLEY, Mr. MOTTL, Mr. CORNELL, Mr. HEFNER, Mr. HANNAFORD, Mr. BEARD of Rhode Island, Mr. EDGAR, Mr. APPLEGATE, Mr. BARNARD, Mr. HAMMERSCHMIDT, Mrs. HECKLER, Mr. WYLIE, Mr. HILLIS, Mr. ABDNOR, Mr. WALSH, Mr. GUYER, Mr. HANSEN, and Mr. SAWYER):

H.R. 13762. A bill to designate the Veterans' Administration Center located at 1901 South First Street, Temple, Tex., as the "Olin E. Teague Veterans' Center"; to the Committee on Veterans' Affairs.

By Mr. SMITH of Iowa (for himself, Mr. PICKLE, Mr. CORMAN, Mr. CONTE, Mr. DON H. CLAUSEN, Mr. CORNWELL, Mr. HEFNER, Mr. HUBBARD, Mr. HUGHES, Mr. LENT, Mr. RAILSBACK, Mr. ROE, Mr. SPENCE, Mr. STUMP, and Mr. VOLKMER):

H.R. 13763. A bill to amend the Internal Revenue Code of 1954 to provide tax relief to small businesses by establishing a graduated income tax rate for corporations; to the Committee on Ways and Means.

By Mr. WHALEN (for himself and Mr. GREEN):

H.R. 13764. 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, and that a deduction shall be allowed for contributions to such trusts; to the Committee on Ways and Means.

By Mr. BROYHILL (for himself and Mr. OTTINGER):

H.R. 13765. A bill to amend the Securities Act of 1933 and the Investment Company Act of 1940 to encourage investment in small business concerns; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHN L. BURTON (for himself, Mr. WHITEHURST, Mr. RANGEL, Mr. EDWARDS of California, Mr. RUPPE, Mr. KINDNESS, Mr. BOB WILSON, Mr. LEHMAN, Mr. RODINO, Mr. GUYER, Mr. OBERSTAR, Mr. DELLUMS, Mr. FISH, and Ms. HOLTZMAN):

H.R. 13766. A bill to amend chapter 55 of title 10 of the United States Code to qualify certain former spouses of members of the uniformed services for medical and dental benefits, and for other purposes; to the Committee on Armed Services.

By Mr. JOHN L. BURTON (for himself, Mr. BROOKS, Mr. HORTON, Mr. WALKER, and Mr. STANGELAND):

H.R. 13767. A bill to amend the Federal Property and Administrative Services Act of 1949 to permit the recovery of replacement cost of motor vehicles and other related equipment and supplies; to the Committee on Government Operations.

By Mr. KEMP (for himself, Mr. HUBBARD, and Mr. MCDONALD):

H.R. 13768. A bill to amend the Internal Revenue Code of 1954 to provide for permanent tax reductions for individuals and businesses; to the Committee on Ways and Means.

By Mr. KEMP:

H.R. 13769. A bill to amend the Internal Revenue Code of 1954 to provide for permanent tax rate reductions for individuals; to the Committee on Ways and Means.

By Mr. LAGOMARSINO:

H.R. 13770. A bill to provide survivors' annuities under chapter 83 of title 5, United States Code to the surviving spouses of annuitants who were unmarried at the time of retiring but who later remarried and died before January 8, 1971; to the Committee on Post Office and Civil Service.

By Mr. PICKLE (for himself, Mr. BURLESON of Texas, and Mr. ARCHER):

H.R. 13771. A bill to provide for the deferral of proposed Arbitrage Bond Regulations; to the Committee on Ways and Means.

By Mr. ROE:

H.R. 13772. A bill to strengthen the Labor Department's ability to combat fraud and abuse in the Comprehensive Employment and Training Act (CETA) program; to the Committee on Education and Labor.

By Mr. ROSE:

H.R. 13773. A bill to establish an administrative procedure and guidelines to be followed by the Department of the Interior in its decision to acknowledge the existence of certain Indian tribes; to the Committee on Interior and Insular Affairs.

By Mr. FINDLEY (for himself, Mr. BUCHANAN, Mr. COLEMAN, Mr. DAVIS, Mr. DE LUGO, Mr. FORSYTHE, Mr. FOUNTAIN, Mr. HANSEN, Mr. HOWARD, Mr. LAGOMARSINO, Mr. PATTERSON of California, Mr. RAHALL, Mr. SARASIN, and Mr. WALKER):

H.J. Res. 1106. Joint resolution authorizing the President to proclaim the month of November 1978, as "National REACT Month"; to the Committee on Post Office and Civil Service.

By Mr. WRIGHT (for himself, Mr. RHODES, Mr. ROSENTHAL, and Mr. VANDER JAGT):

H.J. Res. 1107. Joint resolution designating April 27, 28, and 29, of 1979, as "Days of Remembrance of Victims of the Holocaust"; to the Committee on Post Office and Civil Service.

By Mr. DERWINSKI (for himself, Mr. BURKE of Florida, Mr. DINGELL, Mr. DODD, Mr. FISH, and Mr. HUGHES):

H. Con. Res. 680. Concurrent resolution relating to the occupation of Czechoslovakia by Soviet troops; to the Committee on International Relations.

By Mr. RINALDO:

H. Con. Res. 681. Concurrent resolution expressing the sense of the Congress that the President should take such actions as are necessary to obtain the repayment by the Soviet Union in gold bars of the remainder of its World War II debt to the United States; to the Committee on International Relations.

By Mr. THOMPSON:

H. Res. 1297. Resolution to provide for the orderly shipment of official records and papers of Members of the House of Representatives; to the Committee on House Administration.

By Mr. STUDDS:

H. Res. 1298. Resolution to commend the Azorean Communities Congress; to the Committee on International Relations.

MEMORIALS

Under clause 4 of rule XXII,

463. By the SPEAKER: Memorial of the Legislature of the State of Arizona, relative to construction of the Orme Dam; to the Committee on Interior and Insular Affairs.

464. Also, memorial of the Legislature of the State of Arizona, relative to management of wild burros and free-roaming horses on public lands; jointly, to the Committees on Interior and Insular Affairs, and Merchant Marine and Fisheries.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. ANDERSON of Illinois:

H.R. 13774. A bill for the relief of Nyoman Rahmawati; to the Committee on the Judiciary.

By Mr. BENJAMIN:

H.R. 13775. A bill for the relief of Otilio Rigoberto Murrillo Gutierrez; to the Committee on the Judiciary.

By Mr. PHILLIP BURTON:

H.R. 13776. A bill for the relief of Tai Soon Ree; to the Committee on the Judiciary.

H.R. 13777. A bill for the relief of Marie Georgette Claire Danielle Bouchard Bihr; to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 7308

By Mr. McCLORY:

—Page 30, strike out line 7 and all that follows down through page 64, line 25, and insert in lieu thereof the following:

TITLE I—ELECTRONIC SURVEILLANCE WITHIN THE UNITED STATES FOR FOREIGN INTELLIGENCE PURPOSES

DEFINITIONS

SEC. 101. As used in this title:

(a) "Foreign power" means—

(1) a foreign government or any component thereof, whether or not recognized by the United States;

(2) a faction of a foreign nation or nations, not substantially composed of United States persons;

(3) an entity that is openly acknowledged by a foreign government or governments to be directed and controlled by such foreign government or governments;

(4) a group engaged in international terrorism or activities in preparation therefor;

(5) a foreign-based political organization,

not substantially composed of United States persons; or

(6) an entity that is directed and controlled by a foreign government or governments.

Such term shall not apply to any United States person solely upon the basis of activities protected by the first amendment of the Constitution.

(b) "Agent of a foreign power" means—

(1) any person other than a United States person who—

(A) acts in the United States as an officer, member, or employee of a foreign power; or

(B) acts for or on behalf of a foreign power which engages in clandestine intelligence activities in the United States contrary to the foreign policy or security interests of the United States, when the circumstances of such person's presence in the United States indicate that such person may engage in such activities in the United States, or when such person knowingly aids or abets any person in the conduct of such activities or knowingly conspires with any person to engage in such activities; or

(2) any person who—

(A) knowingly engages in clandestine intelligence activities for or on behalf of a foreign power under circumstances which indicate that such activities are contrary to the foreign policy or security interests of the United States;

(B) knowingly engages in sabotage or international terrorism, or activities that are in preparation therefor, for or on behalf of a foreign power; or

(C) conspires with or knowingly aids or abets any person engaged in any activity described in subparagraph (A) or (B).

Such term shall not apply to any United States person solely upon the basis of activities protected by the first amendment of the Constitution.

(c) "International terrorism" means activities that—

(1) involve violent acts or acts dangerous to human life that are or may be a violation of the criminal laws of the United States or of any State, or that might involve a criminal violation if committed within the jurisdiction of the United States or any State;

(2) appear to be intended—

(A) to intimidate or coerce a civilian population;

(B) to influence the policy of a government by intimidation or coercion; or

(C) to affect the conduct of a government by assassination or kidnapping; and

(3) occur totally outside the United States, or transcend national boundaries in terms of the means by which they are accomplished, the persons they appear intended to coerce or intimidate, or the locale in which their perpetrators operate or seek asylum.

(d) "Sabotage" means activities that involve or may involve a violation of chapter 105 of title 18, United States Code, or that might involve such a violation if committed against the United States.

(e) "Foreign intelligence information" means—

(1) information that relates to and, if concerning a United States person, is necessary to the ability of the United States to protect against—

(A) actual or potential attack or other grave hostile acts of a foreign power or an agent of a foreign power;

(B) sabotage or international terrorism by a foreign power on an agent of a foreign power; or

(C) clandestine intelligence activities by an intelligence service or network of a foreign power or by an agent of a foreign power; or

(2) information with respect to a foreign power or foreign territory that relates to and, if concerning a United States person, is necessary to—

(A) the national defense or the security of the United States; or

(B) the conduct of the foreign affairs of the United States.

(f) "Electronic surveillance" means—

(1) the acquisition by an electronic, mechanical, or other surveillance device of the contents of any wire or radio communication sent by or intended to be received by a particular, known United States person who is in the United States, if the contents are acquired by intentionally targeting that United States person, under circumstances in which a person has a reasonable expectation of privacy and a warrant would be required for law enforcement purposes;

(2) the acquisition by an electronic mechanical, or other surveillance device of the contents of any wire communication to or from a person in the United States, without the consent of any party thereto;

(3) the intentional acquisition, by an electronic, mechanical, or other surveillance device, of the contents of any radio communication, under circumstances in which a person has a reasonable expectation of privacy and a warrant would be required for law enforcement purposes, and if both the sender and all intended recipients are located within the United States; or

(4) the installation or use of an electronic, mechanical, or other surveillance device in the United States for monitoring to acquire information, other than from a wire or radio communication, under circumstances in which a person has a reasonable expectation of privacy and a warrant would be required for law enforcement purposes.

(g) "Minimization procedures", with respect to a particular electronic surveillance, means specific procedures, reasonably designed in light of the purpose and technique of the surveillance, to minimize the acquisition, retention, and dissemination of nonpublicly available information concerning unconsenting United States citizens consistent with the need of the United States to obtain, produce, and disseminate foreign intelligence information. To achieve such minimization, the Attorney General shall adopt procedures which shall include, where appropriate—

(1) provisions for the destruction of unnecessary information acquired through the surveillance;

(2) provisions with respect to what information may be filed and on what basis, what information may be retrieved and on what basis, and what information may be disseminated, to whom, and on what basis;

(3) provisions for the deletion of the identity of any United States citizen acquired through the surveillance if such identity is not necessary to assess the importance of or to understand the information;

(4) provisions relating to the proper authority in particular cases to approve the retention or dissemination of the identity of any United States citizen acquired through the surveillance;

(5) provisions relating to internal review of the minimization process; and

(6) provisions relating to adequate accounting of information concerning United States citizens that is used or disseminated.

In addition, the procedures shall include provisions that require that nonpublicly available information that is not foreign intelligence information, as defined in subsection (e)(1), shall not be disseminated in a manner which identifies any individual United States citizen, without such person's consent, unless such person's identity is necessary to understand foreign intelligence information or to assess its importance; and shall allow for the retention and dissemination of information that is evidence of a crime that has been, is being, or is about to be committed and that is to be retained or disseminated for the purpose of preventing the crime or of enforcing the criminal law.

(h) "United States person" means a citizen of the United States, an alien lawfully admitted for permanent residence (as defined in section 101(a)(20) of the Immigration and Nationality Act), an unincorporated association a substantial number of members of which are citizens of the United States or aliens lawfully admitted for permanent residence, or a corporation which is incorporated in the United States, but does not include a corporation or an association which is a foreign power, as defined in subsection (a)(1), (2), or (3).

(i) "United States", when used in a geographic sense, means all areas under the territorial sovereignty of the United States and the Trust Territory of the Pacific Islands.

(j) "Aggrieved person" means a person who is the target of an electronic surveillance or any other person whose communications or activities were subject to electronic surveillance.

(k) "Wire communication" means any communication while it is being carried by a wire, cable, or other like connection furnished or operated by any person engaged as a common carrier in providing or operating such facilities for the transmission of interstate or foreign communications.

(l) "Person" means any individual, including any officer or employee of the Federal Government, or any group, entity, association, corporation, or foreign power.

(m) "Contents", when used with respect to a communication, includes any information concerning the identity of the parties to such communication or the existence, substance, purport, or meaning of that communication.

(n) "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, and the Trust Territory of the Pacific Islands.

AUTHORIZATION OF ELECTRONIC SURVEILLANCE TO OBTAIN FOREIGN INTELLIGENCE INFORMATION

SEC. 102. (a) Electronic surveillance of a foreign power or an agent of a foreign power for the purpose of obtaining foreign intelligence information may be authorized by the issuance of a surveillance certificate in accordance with subsection (h). If the target of the electronic surveillance is a United States citizen, the issuance of a certificate under oath and signed by the President stating that such electronic surveillance would be in accordance with the criteria and requirements of this title shall also be required.

(b) Electronic surveillance authorized under subsection (a) may only be performed according to the terms of a surveillance certificate issued in accordance with subsection (h).

(c) Electronic surveillance may be authorized under this section for the period necessary to achieve its purpose, except that—

(1) if the target of the surveillance is not a foreign power, the period of the surveillance may not exceed ninety days; and

(2) if the target of the surveillance is a foreign power, the period of the surveillance may not exceed one year.

(d) An electronic surveillance authorized under this section may be reauthorized in the same manner as an original authorization, but all statements required to be made under subsection (h) for the initial issuance of a surveillance certificate shall be based on new findings.

(e)(1) Notwithstanding any other provision of this title, if the Attorney General or Deputy Attorney General determines that—

(A) an emergency situation exists with respect to the employement of electronic surveillance to obtain foreign intelligence

information before the requirements of subsection (a) can be followed; and

(B) the factual bases exist for the issuance of a surveillance certificate under subsection (h) to approve such surveillance, the Attorney General or Deputy Attorney General, as the case may be, may authorize the emergency employment of electronic surveillance if, as soon as is practicable, but not more than forty-eight hours after the Attorney General or Deputy Attorney General authorizes such surveillance, the requirements of subsection (a) are met as they would have been.

(2) If the target is a United States citizen, the Attorney General or Deputy Attorney General shall notify the President at the time of such authorization that the decision has been made to employ emergency electronic surveillance.

(3) If the Attorney General or Deputy Attorney General authorizes such emergency employment of electronic surveillance, he shall require that the minimization procedures required by this title be followed.

(4) If electronic surveillance is authorized under this subsection, it shall terminate when the information sought is obtained or after the expiration of forty-eight hours from the time of authorization, whichever is earliest. In the event that the requirements of subsection (a) are not met, all information obtained or evidence derived from electronic surveillance authorized under this subsection shall be destroyed within forty-eight hours of such determination, except that a record of the facts surrounding the Attorney General's or Deputy Attorney General's authorization and the failure to meet the requirements of subsection (a) shall be made and preserved with all other records which under this title are required to be retained.

(f) Notwithstanding any other provision of this title, officers, employees, or agents of the United States are authorized in the normal course of their official duties to conduct electronic surveillance not targeted against the communications of any particular person or persons, under procedures approved by the Attorney General, solely to—

(1) test the capability of electronic equipment, if—

(A) it is not reasonable to obtain the consent of persons incidentally subjected to the surveillance;

(B) the test is limited in extent and duration to that necessary to determine the capability of the equipment; and

(C) the contents of any communication acquired are retained and used only for the purpose of determining the capability of the equipment, are disclosed only to test personnel, and are destroyed before or immediately upon completion of the test;

(2) determine the existence and capability of electronic surveillance equipment being used by persons not authorized to conduct electronic surveillance, if—

(A) it is not reasonable to obtain the consent of persons incidentally subjected to the surveillance;

(B) such electronic surveillance is limited in extent and duration to that necessary to determine the existence and capability of such equipment; and

(C) any information acquired by such surveillance is used only to enforce chapter 119 of title 18, United States Code, or section 605 of the Communications Act of 1934, or to protect information from unauthorized surveillance; or

(3) train intelligence personnel in the use of electronic surveillance equipment, if—

(A) it is not reasonable to—

(i) obtain the consent of the persons incidentally subjected to the surveillance;

(ii) train persons in the course of surveillance otherwise authorized by this title; or

(iii) train persons in the use of such equipment without engaging in electronic surveillance;

(B) such electronic surveillance is limited in extent and duration to that necessary to train the personnel in the use of the equipment; and

(C) no contents of any communication acquired are retained or disseminated for any purpose, but are destroyed as soon as reasonably possible.

(g) (1) Upon the issuance of a surveillance certificate under this section, the Attorney General may direct a specified communication or other common carrier, or a landlord, custodian or other specified person, to—

(A) furnish any information, facility, or technical assistance necessary to accomplish the electronic surveillance in such a manner as will protect the secrecy of such surveillance and will produce a minimum of interference with the services that such common carrier or person provides its customers; and

(B) maintain any records concerning such surveillance or the assistance furnished by such common carrier or person that such common carrier or person wishes to retain under security procedures approved by the Attorney General and the Director of Central Intelligence.

(2) Any direction by the Attorney General under paragraph (1) shall be in writing.

(3) The Government shall compensate any common carrier, landlord, custodian, or other specified person at the prevailing rate for assistance furnished pursuant to a direction under paragraph (1).

(4) Any individual may, for reasons of conscience, refuse to comply with a direction from the Attorney General under paragraph (1).

(h) A surveillance certificate issued under subsection (a) shall be issued in writing and under oath by the Attorney General and an executive branch official or officials designated by the President from among those officials employed in the area of national security or national defense who were appointed by the President by and with the advice and consent of the Senate, and shall include—

(1) a statement—

(A) identifying or describing the target of the electronic surveillance, including a certification of whether or not the target is a United States citizen;

(B) certifying that the target of the surveillance is a foreign power or an agent of a foreign power; and

(C) certifying that each of the facilities or places at which the surveillance is directed is being or may be used by a foreign power or an agent of a foreign power;

(2) a statement of the basis for the certification under paragraph (1) that—

(A) the target of the surveillance is or is not a United States citizen;

(B) the target of the surveillance is a foreign power or an agent of a foreign power; and

(C) each of the facilities or places at which the surveillance is directed is being used or may be used by a foreign power or an agent of a foreign power;

(3) a statement of the proposed minimization procedures;

(4) a statement that the information sought is foreign intelligence information;

(5) a statement that the purpose of the surveillance is to obtain foreign intelligence information;

(6) if the target of the surveillance is a United States person, a statement that the information sought cannot reasonably be obtained by normal investigation techniques;

(7) if the target of the surveillance is not a foreign power, a statement of the basis for the certification under paragraph (4) that the information sought is foreign intelligence information;

(8) a statement of the period of time for which the surveillance is required to be maintained;

(9) a statement of the means by which the surveillance will be effected;

(10) if the nature of the intelligence gathering is such that the approval of an electronic surveillance under subsection (b) should not automatically terminate when the described type of information has first been obtained, a statement of the facts indicating that additional information of the same type will be obtained thereafter;

(11) a statement indicating whether or not an emergency authorization was made under subsection (e); and

(12) if more than one electronic, mechanical, or other surveillance device is to be involved with respect to such surveillance, a statement specifying the types of devices involved, their coverage, and the minimization procedures that will apply to information acquired by each type of device.

USE OF INFORMATION

SEC. 103. (a) Information acquired from an electronic surveillance conducted pursuant to this title concerning any United States person may be used and disclosed by Federal officers and employees without the consent of the United States person only in accordance with the minimization procedures required by this title. No otherwise privileged communication obtained in accordance with, or in violation of, the provisions of this title shall lose its privileged character. No information acquired from an electronic surveillance pursuant to this title may be used or disclosed by Federal officers or employees except for lawful purposes.

(b) No information acquired pursuant to this title shall be disclosed for law enforcement purposes unless such disclosure is accompanied by a statement that such information, or any information derived therefrom, may only be used for or disclosed in any proceeding with the advance authorization of the Attorney General.

(c) Whenever the Government intends to enter into evidence or otherwise use or disclose in any trial, hearing, or other proceeding in or before any court, department, officer, agency, regulatory body, or other authority of the United States, against an aggrieved person, any information obtained or derived from an electronic surveillance of that aggrieved person pursuant to the authority of this title, the Government shall, prior to the trial, hearing, or other proceeding or at a reasonable time prior to an effort to so disclose or so use that information or submit it in evidence, notify the aggrieved person and the court or other authority in which the information is to be disclosed or used that the Government intends to so disclose or so use such information.

(d) Before any State or political subdivision thereof may enter into evidence or otherwise use or disclose in any trial, hearing, or other proceeding in or before any court, department, officer, agency, regulatory body, or other authority of a State or a political subdivision thereof, against an aggrieved person any information obtained or derived from an electronic surveillance of that aggrieved person pursuant to the authority of this title, the State or political subdivision thereof must receive from the Attorney General an authorization to so use such information. Upon receiving such authorization, the State or political subdivision thereof shall notify the aggrieved person and the court or other authority in which the information is to be disclosed or used that the State or political subdivision thereof intends to so disclose or so use such information.

(e) Any person against whom evidence obtained or derived from an electronic surveillance to which he is an aggrieved per-

son is to be, or has been, introduced or otherwsie used or disclosed in any trial, hearing, or other proceeding in or before any court, department, officer, agency, regulatory body, or other authority of the United States, a State, or a political subdivision thereof, may move to suppress the evidence obtained or derived from such electronic surveillance on the grounds that—

(1) the information was unlawfully acquired; or

(2) the surveillance was not made in conformity with an order of authorization or approval.

Such a motion shall be made before the trial, hearing, or other proceeding unless there was no opportunity to make such a motion or the person was not aware of the grounds of the motion.

(f) Whenever a court or other authority is notified pursuant to subsection (c) or (d), or whenever a motion is made pursuant to subsection (e) and the Government concedes that information obtained or derived from an electronic surveillance pursuant to the authority of this title as to which the moving party is an aggrieved person is to be, or has been, introduced or otherwise used or disclosed in any trial, hearing, or other proceeding, the Government may make a motion before the court, or if the case is before a court of a State or a subdivision thereof, then before the United States district court of the judicial district in which the case is pending, to determine the lawfulness of the electronic surveillance. Such motion shall stay any action in any court or authority to determine the lawfulness of the surveillance. In determining the lawfulness of the surveillance, the court shall, notwithstanding any other law, if the Attorney General files an affidavit under oath with the court that disclosure would harm the national security of the United States or compromise foreign intelligence sources and methods, review in camera the surveillance certificate and such other materials relating to the surveillance as may be necessary to determine whether the surveillance of the aggrieved person was lawfully authorized and conducted. In making such determination, the court may disclose to the aggrieved person, under appropriate security procedures and protective orders, portions of the application, order, or other materials if there is a reasonable question as to the legality of the surveillance and if disclosure would likely promote a more accurate determination of such legality.

(g) Except as provided in subsection (f), whenever any motion or request is made pursuant to any statute or rule of the United States or any State before any court or other authority of the United States or any State to discover or obtain surveillance certificates or other materials relating to surveillance pursuant to the authority of this title, or to discover, obtain, or suppress any information obtained from electronic surveillance pursuant to the authority of this title, and the court or other authority determines that the moving party is an aggrieved person, if the Attorney General files with the court of appeals of the circuit in which the case is pending an affidavit under oath that an adversary hearing would harm the national security or compromise foreign intelligence sources and methods and that no information obtained or derived from an electronic surveillance pursuant to the authority of this title has been or is about to be used by the Government in the case before the court or other authority, the court of appeals shall, notwithstanding any other law, stay the proceeding before the other court or authority and review in camera and ex parte the surveillance certificate and such other materials as may be necessary to determine whether the surveillance of the aggrieved person was lawfully authorized and conducted. In making this determination, the court of appeals shall disclose, under appropriate security procedures and protective orders, to the aggrieved person or his attorney, portions of the surveillance certificate or other materials relating to the surveillance only if necessary to afford due process to the aggrieved person.

(h) If the court pursuant to subsection (f) or the court of appeals pursuant to subsection (g) determines the surveillance was not lawfully authorized and conducted, it shall, in accordance with the requirements of the law, suppress the evidence which was unlawfully obtained or derived from electronic surveillance of the aggrieved person or otherwise grant the motion of the aggrieved person. If the court pursuant to subsection (f) or the court of appeals pursuant to subsection (g) determines the surveillance was lawfully authorized and conducted, it shall deny the motion of the aggrieved person except to the extent that due process requires discovery or disclosure.

(i) Orders granting motions or requests under subsection (h), decisions under this section as to the lawfulness of electronic surveillance, and, absent a finding of unlawfulness, orders of the court or court of appeals granting disclosure of surveillance certificates or other materials relating to a surveillance shall be binding upon all courts of the United States and the several States except the courts of appeals and the Supreme Court, and shall be final orders for purposes of appeal.

(j) In circumstances involving the unintentional acquisition by an electronic, mechanical, or other surveillance device of the contents of any radio communication, under circumstances in which a person has a reasonable expectation of privacy and a warrant would be required for law enforcement purposes, and if both the sender and all intended recipients are located within the United States, such contents shall be destroyed upon recognition, unless the Attorney General determines that the contents may indicate a threat of death or serious bodily harm to any person.

CONGRESSIONAL OVERSIGHT

SEC. 104. On a semiannual basis the Attorney General shall fully inform the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate concerning all electronic surveillance under this title. Nothing in this chapter shall be deemed to limit the authority and responsibility of those committees to obtain such additional information as they may need to carry out their respective functions and duties.

PENALTIES

SEC. 105. (a) OFFENSE.—A person is guilty of an offense if he intentially—

(1) engages in electronic surveillance under color of law except as authorized by statute; or

(2) violates section 102(a), 102(b), 102(d), 102(e), 103(a), 103(b), 103 (j), or 107 or any order issued pursuant to this chapter, knowing his conduct violates such section or such order.

(b) DEFENSE.—(1) It is a defense to a prosecution under subsection (a)(1) that the defendant was a law enforcement or investigative officer engaged in the course of his official duties and the electronic surveillance was authorized by and conducted pursuant to a search warrant or court order of a court of competent jurisdiction;

(2) It is a defense to a prosecution under subsection (a)(2) that the defendant acted in a good faith belief that his actions were authorized by and taken pursuant to a surveillance certificate or otherwise did not violate any provision of this title, under circumstances where that belief was reasonable.

(c) PENALTY.—An offsense described in this section is punishable by a fine of not more than $10,000 or imprisonment for not more than five years, or both.

(d) JURISDICTION.—There is Federal jurisdiction over an offense in this section if the person was an officer or employee of the United States at the time the offense was committed.

CIVIL LIABILITY

SEC. 106. CIVIL ACTION.—An aggrieved person, other than a foreign power or an agent of a foreign power as defined in section 101 (a) or (b)(1)(A), respectively, who has been subjected to an electronic surveillance or whose communication has been disclosed or used in violation of section 105 of this chapter shall have a cause of action against any such person who committed such violation and shall be entitled to recover—

(1) actual damages, but not less than liquidated damages of $1,000 or of $100 per day for each day of violation, whichever is greater;

(2) punitive damages, where appropriate; and

(3) reasonable attorney's fees and other investigation and litigation costs reasonably incurred.

RETENTION OF RECORDS

SEC. 107. All surveillance certificates and all documents used to support the issuance of surveillance certificates shall be retained for a period of not less than twenty years and shall be stored at the direction of the Attorney General under security procedures approved by the Director of Central Intelligence.

—Page 64, after line 25, insert the following:

APPLICABILITY OF PROVISIONS

SEC. 111. The provisions of this title shall not apply to electronic surveillance of a foreign power which is not a United States person or agent of a foreign power who is not a United States person unless and until such time as the country of origin of such foreign power or such agent of a foreign power requires an order of a court or other similar tribunal of such country to authorize the use of electronic means to intercept in such country the communications of a United States person who is either sent from or intended to be received in such country.

—Page 65, strike out line 1 and all that follows down through page 68, line 3, and insert in lieu thereof the following:

TITLE II—CONFORMING AMENDMENTS

AMENDMENTS TO CHAPTER 119 OF TITLE 18, UNITED STATES CODE

SEC. 201. Chapter 119 of title 18, United States Code, is amended as follows:

(a) Section 2511(2)(a)(ii) is amended to read as follows:

"(ii) Notwithstanding any other law, communication common carriers, their officers, employees, and agents, landlords, custodians, or other persons, are authorized to provide information, facilities, or technical assistance to persons authorized by law to intercept wire or oral communications or to conduct electronic surveillance, as defined in section 101 of the Foreign Intelligence Electronic Surveillance Act of 1978, if the common carrier, its officers, employees, or agents landlord, custodian, or other specified person, has been provided with—

"(A) a court order directing such assistance signed by the authorizing judge, or

"(B) a certification under oath and signed by a person specified in section 2518(7) of this title or the Attorney General of the United States that no warrant or court order is required by law, that all statutory requirements have been met, and that the specified assistance is required,

setting forth the period of time during which the provision of the information, facilities, or technical assistance is authorized and specifying the information, facilities, or technical assistance required. No communication common carrier, officer, employee, or agent thereof, or landlord, custodian, or other specified person shall disclose the existence of any interception or surveillance or the device used to accomplish the interception or surveillance with respect to which the person has been furnished an order or certification under this paragraph, except as may otherwise be required by legal process and then only after prior notification to the Attorney General or to the principal prosecuting attorney of a State or any political subdivision of a State, as may be appropriate. No cause of action shall lie in any court against any communication common carrier, its officers, employees, or agents, landlord, custodian, or other specified person for providing information, facilities, or assistance in accordance with the terms of an order or certification under this subparagraph.".

(b) Section 2511(2) is amended by adding at the end thereof the following new provisions:

"(e) Notwithstanding any other provision of this title or section 605 or 606 of the Communications Act of 1934, it shall not be unlawful for an officer, employee, or agent of the United States in the normal course of his official duty to conduct electronic surveillance, as defined in section 101 of the Foreign Intelligence Electronic Surveillance Act of 1978, as authorized by that Act.

"(f) Nothing contained in this chapter, or section 605 of the Communications Act of 1934, shall be deemed to affect the acquisition by the United States Government of foreign intelligence information from international or foreign communications by a means other than electronic surveillance as defined in section 101 of the Foreign Intelligence Electronic Surveillance Act of 1978, and procedures in this chapter and the Foreign Intelligence Electronic Surveillance Act of 1978 shall be the exclusive means by which electronic surveillance, as defined in section 101 of such Act, and the interception of domestic wire and oral communications may be conducted.".

(c) Section 2511(3) is repealed.

(d) Section 2518(1) is amended by inserting "under this chapter" after "communication".

(e) Section 2518(4) is amended by inserting "under this chapter" after "wire or oral communication" both places it appears therein.

(f) Section 2518(9) is amended by striking out "intercepted" and by inserting "intercepted pursuant to this chapter" after "communication".

(g) Section 2518(10) is amended by striking out "intercepted" and by inserting "intercepted pursuant to this chapter" after "communication" the first place it appears therein.

(h) Section 2519(3) is amended by inserting "pursuant to this chapter" after "wire or oral communications" and after "granted or denied".

—Page 68, strike out line 4 and all that follows down through line 15, and insert in lieu thereof the following:

TITLE III—EFFECTIVE DATE

EFFECTIVE DATE

SEC. 301. The provisions of this Act and the amendments made hereby shall become effective upon the date of enactment of this Act, except that any electronic surveillance approved by the Attorney General to gather foreign intelligence information shall not be deemed unlawful for failure to follow the procedures of this Act, if that surveillance is terminated or a surveillance certificate authorizing that surveillance is obtained under title I of this Act within ninety days following such date of enactment.

—Page 68, beginning on line 14, strike out "the designation of the chief judges pursuant to section 103 of this Act" and insert in lieu thereof "such date of enactment".

H.R. 12161

By Mr. GILMAN:

—Page 2, immediately after line 6, insert the following new section:

SEC. 2. (a) The Consolidated Rail Corporation shall (1) carry out such reconstruction of the railroad bridge over the Hudson River at Poughkeepsie, New York, as is necessary for the purposes of this section and make appropriate repairs and improvements in rail yards and tracks which service the rail system using such bridge, (2) restore freight service on such system at least to the extent provided prior to the fire damage to such bridge in 1974, and (3) take appropriate steps to promote the use of such system.

(b) There is authorized to be appropriated to the Secretary of Transportation not to exceed $9,000,000 for making payments to the Consolidated Rail Corporation to cover costs incurred pursuant to subsection (a)(1).

H.R. 12452

By Mrs. COLLINS of Illinois:

—Page 50, after line 25, insert the following new subsection:

"(1) Each prime sponsor receiving funds under this Act shall establish an independent unit to monitor compliance with the requirements of this Act, the regulations issued thereunder, and the comprehensive employment and training plan. The Secretary shall annually assess the effectiveness of the units established pursuant to the preceding sentence, with particular regard to the adequacy of provisions made for funding, staffing, and insuring the independence and objectivity of monitoring practices and methods.

H.R. 12452

By Mr. GLICKMAN:

—Section 127(f) is amended by addding, after the period at the end of line 16, the following: "Provided, however, that the Secretary shall take appropriate steps to assure that information required in such reports shall not unnecessarily duplicate information available from other reports required under this Act."

—Title III is amended by adding new Subsections 305 (c), (d), and (e), at the end of page 112, as follows:

"(c) Relocation efforts shall focus on shifting unemployed individuals to employment surplus areas where their skills could be suitably employed, provided that such relocation does not result in residents of the area to which persons are relocated not securing jobs for which they would also qualify.

"(d) In instances where a proposed relocation would likely result in a sizable influx of persons into a particular area, the Secretary shall consult, in advance of authorizing assistance, with appropriate Federal, state and local officials with regard to the potential impact on provision of housing and other services to area residents, including the new population anticipated as a result of the proposed relocation.

"(e) The Secretary shall coordinate, to the maximum extent feasible, the relocation assistance programs authorized under this section and the job bank and matching program authorized under Section 312(f) of this Act.";

and by adding the following to Section 312 (f) after line 16 on page 123: "The information gathered under this subsection with regard to available persons and job vacancies shall be coordinated, to the maximum extent feasible, with the relocation assistance programs authorized under Section 305 to permit those relocation programs to be utilized, when necessary and appropriate, in facilitating the match of available persons and job vacancies sought under this subsection."

—Section 503(2) is amended by inserting, prior to the closing semicolon on line 6, the following: "*Provided, however,* That studies authorized under this section do not, to a significant degree, duplicate others authorized under this Act or any other authority, being or having been conducted by or for the Federal Government."

—Section 705 is amended by deleting the period at the end of line 10 on page 213, and inserting in its place the following: "; and,

"(14) encouraging unemployed individuals to relocate to areas of the country where employment opportunities appropriate to their skills generally exist which cannot reasonably be expected to be filled from within those areas' job markets."

H.R. 12452

By Mr. KREBS:

—Page 45, strike out lines 8 through 25 and insert in lieu thereof the following:

"(B) All persons employed in public service jobs shall be provided workers' compensation, health insurance, unemployment benefits, and other benefits and working conditions at the same level and to the same extent as other employees working a similar length of time, doing the same type of work, and similarly classified. Any such classifications under any applicable civil service or merit law or regulation must be reasonabe, and must include nonfederally financed employees, but within any single classification a distinction may be made between public service employees and other employees for purposes of determining eligibility for participation in retirement systems or plans which provide benefits bases on age or service or both. Nothing in this subparagraph or in paragraph (4) shall be deemed to require a contribution to a retirement system or plan for the purpose of providing retirement benefits based on age or service, or both, to a public service employee unless funds under this Act are available, pursuant to paragraph (4), to make such contribution.

'(4) Funds available for employment benefits under this Act may be used, for the duration of participation, for contributions on behalf of participants who are, prior to July 1, 1979, enrolled in retirement systems or plans. With respect to participants enrolled in retirement systems or plans on or after such date, no funds under this Act may be used for contributions to retirement systems or plans unless such contributions bear a reasonable relationship to the cost of providing benefits to participants.

H.R. 12452

By Mr. MEEDS:

—Page 213, line 18, insert close quotation marks and a period at the end of such line and strike out line 19 and all that follows through line 2 on page 225 and insert in lieu thereof the following:

SEC. 3. The Act of August 13, 1970 (16 U.S.C. 1701), is amended—

(1) by inserting immediately after the enacting clause the following:

"TITLE I—YOUTH CONSERVATION CORPS";

(2) by redesignations sections 1 through 6 as sections 101 through 106, respectively;

(3) by striking out "section 6" in section 104(d) (as redesignated by paragraph (2) of this section and inserting in lieu thereof "section 106";

(4) by striking out "Act" each place it appears in sections 101 through 106 (as redesignated by paragraph (2) of this section and inserting in lieu thereof "title"; and

(5) by adding at the end thereof the following new title:

"TITLE II—YOUNG ADULT CONSERVATION CORPS

"Statement of Purpose

"Sec. 201. It is the purpose of this title to establish a Young Adult Conservation Corps to provide employment and other benefits to youths who would not otherwise be currently productively employed, through a period of service during which they engage in useful conservation work and assist in completing other projects of a public nature on Federal and non-Federal public lands and waters.

"ESTABLISHMENT OF YOUNG ADULT CONSERVATION CORPS

"Sec. 202. To carry out the purposes of this title there is hereby established a Young Adult Conservation Corps to carry out projects on Federal or non-Federal public lands or waters. The Secretaries of the Interior and Agriculture [in consultation with the Secretary of Labor] shall administer this title through interagency agreements. Pursuant to such interagency agreements, the Secretaries of the Interior and Agriculture shall have responsibility for the management of each Corps center, including determination of Corps members' work assignments, selection, training, discipline, and termination, and shall be responsible for an effective program at each center.

"SELECTION OF ENROLLEES

"Sec. 203. (a) Enrollees of the Corps shall be selected by the Secretaries of the Interior and Agriculture [in consultation with the Secretary of Labor].

"(b)(1) Membership in the Corps shall be limited to individuals who, at the time of enrollment—

"(A) are unemployed;

"(B) are between the ages 16 to 23, inclusive;

"(C) are citizens or lawfully permanent residents of the United States or lawfully admitted refugees or parolees; and

"(D) are capable, as determined by the Secretary of Labor, of carrying out the work of the Corps for the estimated duration of each such individual's enrollment.

"(2) Individuals who, at the time of enrollment, have attained age 16 but not attained age 19 and who have left school shall not be admitted to membership in the Corps unless they give adequate assurance, under criteria established by the Secretaries of the Interior and Agriculture, that they did not leave school for the purpose of enrolling in the Corps and obtaining employment under this title.

"(c) The Secretaries of the Interior and Agriculture shall make arrangements for obtaining referral of candidates for the Corps from the public employment service, prime sponsors designated under section 101 of the Comprehensive Employment and Training Act, sponsors of Native American programs designated under section 302 of such Act, sponsors of migrant and seasonable farmworker programs under section 303 of such Act, and such other agencies and organizations as the Secretaries of the Interior and Agriculture may deem appropriate. The Secretaries of the Interior and Agriculture shall undertake to assure that an equitable proportion of candidates shall be referred from each State.

"(d) In referring candidates from each State in accordance with subsection (c) preference shall be given to youths residing in rural and urban areas within each such State having substantial unemployment, including areas of substantial unemployment determined by the Secretary of Labor under section 125 of the Comprehensive Employment and Training Act to have rates of unemployment equal to or in excess of 6.5 per centum.

"(e)(1) No individual may be enrolled in the Corps for a total period of more than twelve months, with such maximum period consisting of either one continuous twelve-month period, or three or less periods which total twelve months, except that an individual who attains the maximum permissible enrollment age may continue in the Corps up to the twelve-month limit provided in this subsection only as long as the individual's enrollment is continuous after having attained the maximum age.

"(2) No individual shall be enrolled in the Corps if solely for purposes of membership for the normal period between schools terms.

"ACTIVITIES OF THE CORPS

"Sec. 204. (a) Consistent with each interagency agreement, the Secretary of the Interior or Agriculture, as appropriate, (in consultation with the Secretary of Labor) shall determine the location of each residential and nonresidential Corps center. The Corps shall perform work projects in such fields as—

"(1) three nursery operations, planting, pruning, thinning, and other silviculture measures;

"(2) wildlife habitat improvements and preservation;

"(3) range management improvements;

"(4) recreation development, rehabilitation, and maintenance;

"(5) fish habitat and culture measures;

"(6) forest insect and disease prevention and control;

"(7) road and trail maintenance and improvements;

"(8) general sanitation, cleanup, and maintenance;

"(9) erosion control and flood damage;

"(10) drought damage measures;

"(11) other natural disaster damage measures; and

"(12 integrated pest management including activities to provide the producers of agricultural commodities with information about the appropriate amount of chemical pesticides which, when used in conjunction with nonchemical methods of pest control (A) will provide protection against a wide variety of pests, (B) will preserve to the greatest extent possible the quality of the environment, and (C) will be cost effective.

"(b)(1) The Secretaries of the Interior and Agriculture shall undertake to assure that projects on which work is performed under this title are consistent with the Forest and Rangeland Renewal Resources Planning Act of 1974, as amended by the National Foreign Management Act of 1976, and such other standards relating to such projects as each Secretary shall prescribe consistent with other provisions of Federal law.

"(2) The Secretaries of the Interior and Agriculture shall place individuals employed as Corps members into jobs which will diminish the backlog of relatively labor intensive projects which would otherwise be carried out if adequate funding were made available.

"(c) To the maximum extent practicable, projects shall—

(1) be labor intensive;

(2) be projects for which work plans could be readily developed;

(3) be able to be initiated promptly;

(4) be productive;

(5) be likely to have a lasting impact both as to the work performed and the benefit to the youths participating;

(6) provide work experience to participants in skill areas required for the projects;

(7) if a residential program, be located, to the maximum extent consistent with the objectives of this title in areas where existing residential facilities for the Corps members are available; and

(8) be similar to activities of persons employed in seasonal and part-time employment in agencies such as the National Park Service, United States Fish and Wildlife Service, Bureau of Reclamation, Bureau of Land Management, Bureau of Indian Affairs, Forest Service, Bureau of Outdoor Recreation, and Soil Conservation Service.

"(d)(1) The Secretaries of the Interior and Agriculture may provide for such transportation, lodging, subsistence, medical treatment, and other services, supplies, equipment, and facilities as they may deem appropriate to carry out the purposes of this title. To minimize transportation costs, Corps members shall be assigned to projects as near to their homes as practicable.

"(2) Whenever economically feasible, existing but unoccupied or underutilized Federal, State, and local government facilities and equipment of all types shall, where appropriate, be utilized for the purposes of the Corps centers with the approval of the Federal agency, State, or local government involved.

"(e) The Secretaries of the Interior and Agriculture, in carrying out the purpose of this title shall work with the Department of Health, Education, and Welfare to make suitable arrangements whereby academic credit may be awarded by educational institutions and agencies for competencies derived from work experience obtained through programs established under this title.

"CONDITIONS APPLICABLE TO CORPS ENROLLEES

"Sec. 205. (a) Except as otherwise specifically provided in this subsection, Corps members shall not be deemed Federal employees and shall not be subject to the provisions of law relating to Federal employment including those regarding hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits:

"(1) For purposes of the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.) and title II of the Social Security Act (42 U.S.C. 401 et seq.), Corps members shall be deemed employees of the United States and any service performed by a person as a Corps member shall be deemed to be performed in the employ of the United States.

"(2) For purposes of subchapter 1 of chapter 81 of title 5 of the United States Code, relating to compensation to Federal em ployees for work injuries, Corps members shall be deemed civil employees of the United States within the meaning of the term 'employee' as defined in section 8101 of title 5, United States Code, and provisions of that subchapter shall apply, except that the term 'performance of duty' shall not include any act of the Corps member while absent from the member's assigned post of duty, except while participating in an activity (including an activity while on pass or during travel to or from such post of duty) authorized by or under the direction and supervision of the Secretary.

"(3) For purposes of chapter 171 of title 18 of the United States Code, relating to tort claims procedure, Corps members shall be deemed civil employees of the United States within the meaning of the term 'employee of the Government' as defined in section 2671 of title 28, United States Code, and provisions of that chapter shall apply.

"(4) For purposes of section 5911 of title 5 of the United States Code, relating to allowances for quarters, Corps members shall be deemed civil employees of the United States within the meaning of the term 'employee' as defined in that section, and provisions of that section shall apply.

"(b) The Secretaries of the Interior and Agriculture shall [, in consultation with the Secretary of labor,] establish standards for—

"(1) rates of pay which shall be at least at the wage required by section 6(a)(1) of the Fair Labor Standards Act of 1938:

"(2) reasonable hours and conditions of employment; and

"(3) safe and healthful working and living conditions.

"STATE AND LOCAL PROGRAMS

"SEC. 206. (a) The Secretaries of the Interior and Agriculture may make grants or enter into other agreements—

"(1) after consultation with the Governor, with any State agency or institution;

"(2) after consultation with appropriate State and local officials, with (A) any unit of general local government, or (B) (i) any public agency or organization, specifically including the Federal Extension Service and the cooperative extension service of any State with respect to projects described in section 204(a)(12), or (ii) any private nonprofit agency or organization which has been in existence for at least two years;

for the conduct under this title of any State or local component of the Corps or of any project on non-Federal lands or waters or any project involving work on both non-Federal and Federal lands and waters.

"(b) No grant or other agreement may be entered into under this section unless an application is submitted to the Secretary of the Interior or the Secretary of Agriculture, as the case may be, at such times as each such Secretary may perscribe. Each grant application shall contain assurances that individuals employed under the project for which the application is submitted—

"(1) meet the qualifications set forth in section 203(b);

"(2) shall be employed in accordance with section 205(b); and

"(3) shall be employed in activities that—

"(A) will result in an increase in employment opportunities over those opportunities which would otherwise be available,

"(B) will not result in the displacement of currently employed workers (including partial displacement such as reduction in the hours of nonovertime work or wages or employment benefits,

"(C) will not impair existing contracts for services or result in the substitution of Federal or other funds in connection with work that would otherwise be performed,

"(D) will not substitute jobs assisted under this title for existing federally assisted jobs, and

"(E) will not result in the hiring of any youth when any other person is on layoff from the same or any substantially equivalent job.

"(c) Thirty percent of the sums appropriated to carry out this title for any fiscal year shall be made available for grants under this section for such fiscal year and shall be made on the basis of total youth population within each State.

"SECRETARIAL REPORTS

"SEC. 207. The Secretaries of the Interior and Agriculture shall jointly prepare and submit to the President and to the Congress a report detailing the activities carried out under this title for each fiscal year. Such report shall be submitted not later than February 1 of each year following the dates of enactment of this title. The Secretaries shall include in such report such recommendations as they deem appropriate.

"ANTIDISCRIMINATION

"SEC. 208. The Corps shall be open to youth from all parts of the country of both sexes and youth of all social, economic, and racial classifications.

"TRANSFER OF FUNDS

"SEC. 209. Funds hereinafter appropriated which are necessary to carry out their responsibilities under this title shall be made available to the Secretaries of the Interior and Agriculture in accord with interagency agreements between the Secretaries of the Interior and Agriculture.".

Page 225, lines 4 and 8, redesignate sections 3 and 4 as sections 4 and 5, respectively.

H.R. 13511

By Mr. CORMAN:

—Section 101 of the bill (relating to widening of brackets; rate cuts in certain brackets; increase in zero bracket amounts) is deleted and a new section 101 is inserted in lieu thereof to read as follows:

SEC. 101. RATE CUTS IN CERTAIN BRACKETS

(a) General Rule.—Section 1 (relating to tax imposed) is amended to read as follows:

"SECTION 1. TAX IMPOSED.

"(a) Married Individuals Filing Joint Returns and Surviving Spouses.—There is hereby imposed on the taxable income of—

"(1) every married individual (as defined in section 143) who makes a single return jointly with his spouse under section 6013, and

"(2) every surviving spouse (as defined in section 2(a)),

a tax determined in accordance with the following table:

"If the taxable income is:	The tax is:
Not over $3,200	No tax.
Over $3,200 but not over $4,200	14% of the excess over $3,200.
Over $4,200 but not over $5,200	$140, plus 15% of excess over $4,200.
Over $5,200 but not over $6,200	$290, plus 16% of excess over $5,200.
Over $6,200 but not over $7,200	$450, plus 17% of excess over $6,200.
Over $7,200 but not over $11,200	$620, plus 19% of excess over $7,200.
Over $11,200 but not over $15,200	$1,380, plus 22% of excess over $11,200.
Over $15,200 but not over $19,200	$2,260, plus 23% of excess over $15,200.
Over $19,200 but not over $23,200	$3,180, plus 25% of excess over $19,200.
Over $23,200 but not over $27,200	$4,180, plus 29% of excess over $23,200.
Over $27,200 but not over $31,200	$5,340, plus 33% of excess over $27,200.
Over $31,200 but not over $35,200	$6,660, plus 38% of excess over $31,200.
Over $35,200 but not over $39,200	$8,180, plus 42% of excess over $35,200.
Over $39,200 but not over $43,200	$9,860, plus 45% of excess over $39,200.
Over $43,200 but not over $47,200	$11,660, plus 48% of excess over $43,200.
Over $47,200 but not over $55,200	$13,580, plus 50% of excess over $47,200.
Over $55,200 but not over $67,200	$17,580, plus 53% of excess over $55,200.
Over $67,200 but not over $79,200	$23,940, plus 55% of excess over $67,200.
Over $79,200 but not over $91,200	$30,540, plus 58% of excess over $79,200.
Over $91,200 but not over $103,200	$37,500, plus 60% of excess over $91,200.
Over $103,200 but not over $123,200	$44,700, plus 62% of excess over $103,200.
Over $123,200 but not over $143,200	$57,100, plus 64% of excess over $123,200.
Over $143,200 but not over $163,200	$69,900, plus 66% of excess over $143,200.
Over $163,200 but not over $183,200	$83,100, plus 68% of excess over $163,200.
Over $183,200 but not over $203,200	$96,700, plus 69% of excess over $183,200.
Over $203,200	$110,500, plus 70% of excess over $203,200.

"(b) HEADS OF HOUSEHOLD.—There is hereby imposed on the taxable income of every individual who is the head of a household (as defined in section 2(b)) a tax determined in accordance with the following table:

"If the taxable income is:	The tax is:
Not over $2,200	No tax.
Over $2,200 but not over $3,200	14 percent of the excess over $2,200.
Over $3,200 but not over $4,200	$140, plus 16 percent of excess over $3,200.
Over $4,200 but not over $6,200	$300, plus 18 percent of excess over $4,200.
Over $6,200 but not over $8,200	$660, plus 19 percent of excess over $6,200.
Over $8,200 but not over $10,200	$1,040, plus 22 percent of excess over $8,200.
Over $10,200 but not over $12,200	$1,480, plus 23 percent of excess over $10,200.
Over $12,200 but not over $14,200	$1,940, plus 24 percent of excess over $12,200.
Over $14,200 but not over $16,200	$2,420, plus 25 percent of excess over $14,200.
Over $16,200 but not over $18,200	$2,920, plus 26 percent of excess over $16,200.
Over $18,200 but not over $20,200	$3,440, plus 30 percent of excess over $18,200.
Over $20,200 but not over $22,200	$4,040, plus 31 percent of excess over $20,200.
Over $22,200 but not over $24,200	$4,660, plus 33 percent of excess over $22,200.
Over $24,200 but not over $26,200	$5,320, plus 35 percent of excess over $24,200.
Over $26,200 but not over $28,200	$6,020, plus 36 percent of excess over $26,200.

Over $28,200 but not over $30,200	$6,740, plus 39 percent of excess over $28,200.
Over $30,200 but not over $34,200	$7,520, plus 42 percent of excess over $30,200.
Over $34,200 but not over $38,200	$9,200, plus 45 percent of excess over $34,200.
Over $38,200 but not over $40,200	$11,000, plus 48 percent of excess over $38,200.
Over $40,200 but not over $42,200	$11,960, plus 51 percent of excess over $40,200.
Over $42,200 but not over $46,200	$12,980, plus 52 percent of excess over $42,200.
Over $46,200 but not over $52,200	$15,060, plus 55% of excess over $46,200.
Over $52,200 but not over $54,200	$18,360, plus 56% of excess over $52,200.
Over $54,200 but not over $66,200	$19,480, plus 58% of excess over $54,200.
Over $66,200 but not over $72,200	$26,440, plus 59% of excess over $66,200.
Over $72,200 but not over $78,200	$29,980, plus 61% of excess over $72,200.
Over $78,200 but not over $82,200	$33,640, plus 62% of excess over $78,200.
Over $82,200 but not over $90,200	$36,120, plus 63% of excess over $82,200.
Over $90,200 but not over $102,200	$41,160, plus 64% of excess over $90,200.
Over $102,200 but not over $122,200	$48,840, plus 66% of excess over $102,200.
Over $122,200 but not over $142,200	$62,040, plus 67% of excess over $122,200.
Over $142,200 but not over $162,200	$75,440, plus 68% of excess over $142,200.
Over $162,200 but not over $182,200	$89,040, plus 69% of excess over $162,200.
Over $182,200	$102,840, plus 70% of excess over $182,200.

"(c) UNMARRIED INDIVIDUALS (OTHER THAN SURVIVING SPOUSES AND HEADS OF HOUSEHOLDS).—There is hereby imposed from the taxable income of every individual (other than a surviving spouse as defined in section 2(a) or the head of the household as defined in section 2(b)) who is not a married individual (as defined in section 143) a tax determined in accordance with the following table:

"If the taxable income is:	The tax is:
Not over $2,200	No tax.
Over $2,200 but not over $2,700	14 percent of the excess over $2,200.
Over $2,700 but not over $3,200	$70, plus 15 percent of excess over $2,700.
Over $3,200 but not over $3,700	$145, plus 16 percent of excess over $3,200.
Over $3,700 but not over $4,200	$225, plus 17 percent of excess over $3,700.
Over $4,200 but not over $6,200	$310, plus 19 percent of excess over $4,200.
Over $6,200 but not over $8,200	$690, plus 21 percent of excess over $6,200.
Over $8,200 but not over $10,200	$1,110, plus 23 percent of excess over $8,200.
Over $10,200 but not over $12,200	$1,570, plus 24 percent of excess over $10,200.
Over $12,200 but not over $14,200	$2,050, plus 25 percent of excess over $12,200.
Over $14,200 but not over $16,200	$2,550, plus 28 percent of excess over $14,200.
Over $16,200 but not over $18,200	$3,110, plus 31 percent of excess over $16,200.
Over $18,200 but not over $20,200	$3,730, plus 34 percent of excess over $18,200.
Over $20,200 but not over $22,200	$4,410, plus 36 percent of excess over $20,200.
Over $22,200 but not over $24,000	$5,130, plus 38% of excess over $22,200.
Over $24,200 but not over $28,200	$5,890, plus 40% of excess over $24,200.
Over $28,200 but not over $34,300	$7,490, plus 45% of excess over $28,200.
Over $34,200 but not over $40,200	$10,190, plus 50% of excess over $34,200.
Over $40,200 but not over $46,200	$13,190, plus 55% of excess over $40,200.
Over $46,200 but not over $52,200	$16,490, plus 60% of excess over $46,200.
Over $52,200 but not over $62,200	$20,090, plus 62% of excess over $52,200.
Over $62,200 but not over $72,200	$26,290, plus 64% of excess over $62,200.
Over $72,200 but not over $82,200	$32,690, plus 66% of excess over $72,200.
Over $82,200 but not over $92,200	$39,290, plus 68% of excess over $82,200.
Over $92,200 but not over $102,200	$46,290, plus 69% of excess over $92,200.
Over $102,200	$52,990, plus 70% of excess over $102,200.

"(d) MARRIED INDIVIDUALS FILING SEPARATE RETURNS.—There is hereby imposed on the taxable income of every married individual (as defined in section 143) who does not make a single return with his spouse under section 6013 tax determined in accordance with the following table:

"If the taxable income is:	The tax is:
Not over $1,600	No tax.
Over $1,600 but not over $2,100	14% of the excess over $1,600.
Over $2,100 but not over $2,600	$70, plus 15% of excess over $2,100.
Over $2,600 but not over $3,100	$145, plus 16% of excess over $2,600.
Over $3,100 but not over $3,600	$225, plus 17% of excess over $3,100.
Over $3,600 but not over $5,600	$310, plus 19% of excess over $3,600.
Over $5,600 but not over $7,600	$690, plus 22% of excess over $5,600.
Over $7,600 but not over $9,600	$1,130, plus 23% of excess over $7,600.
Over $9,600 but not over $11,600	$1,590, plus 25% of excess over $9,600.
Over $11,600 but not over $13,600	$2,090, plus 29% of excess over $11,600.
Over $13,600 but not over $15,600	$2,670, plus 33% of excess over $13,600.
Over $15,600 but not over $17,600	$3,330, plus 38% of excess over $15,600.
Over $17,600 but not over $19,600	$4,090, plus 42% of excess over $17,600.
Over $19,600 but not over $21,600	$4,930, plus 45% of excess over $19,600.
Over $21,600 but not over $23,600	$5,830, plus 48% of excess over $21,600.
Over $23,600 but not over $27,600	$6,790, plus 50% of excess over $23,600.
Over $27,600 but not over $33,600	$8,790, plus 53% of excess over $27,600.
Over $33,600 but not over $39,600	$11,970, plus 55% of excess over $33,600.
Over $39,600 but not over $45,600	$15,270, plus 58% of excess over $39,600.
Over $45,600 but not over $51,600	$18,750, plus 60% of excess over $45,600.
Over $51,600 but not over $61,600	$22,350, plus 62% of excess over $51,600.
Over $61,600 but not over $71,600	$28,550, plus 64% of excess over $61,600.
Over $71,600 but not over $81,600	$34,950, plus 66% of excess over $71,600.
Over $81,600 but not over $91,600	$41,550, plus 68% of excess over $81,600.
Over $91,600 but not over $101,600	$48,350, plus 69% of excess over $91,600.
Over $101,600	$55,250, plus 70% of excess over $101,600.

"(e) ESTATES AND TRUSTS.—There is hereby imposed on the taxable income of every estate and trust taxable under this subsection a tax determined in accordance with the following table:

"If the taxable income is:	The tax is:
Not over $500	14 percent of the taxable income.
Over $500 but not over $1,000	$70, plus 15 percent of excess over $500.
Over $1,000 but not over $1,500	$145, plus 16 percent of excess over $1,000.
Over $1,500 but not over $2,000	$225, plus 17 percent of excess over $1,500.
Over $2,000 but not over $4,000	$310, plus 19 percent of excess over $2,000.
Over $4,000 but not over $6,000	$690, plus 22 percent of excess over $4,000.
Over $6,000 but not over $8,000	$1,130, plus 23 percent of excess over $6,000.
Over $8,000 but not over $10,000	$1,590, plus 25 percent of excess over $8,000.
Over $10,000 but not over $12,000	$2,090, plus 29 percent of excess over $10,000.
Over $12,000 but not over $14,000	$2,670, plus 33 percent of excess over $12,000.
Over $14,000 but not over $16,000	$3,330, plus 38 percent of excess over $14,000.
Over $16,000 but not over $18,000	$4,090, plus 42 percent of excess over $16,000.
Over $18,000 but not over $20,000	$4,930, plus 45 percent of excess over $18,000.
Over $20,000 but not over $22,000	$5,830, plus 48 percent of excess over $20,000.
Over $22,000 but not over $26,000	$6,790, plus 50% of excess over $22,000.
Over $26,000 but not over $32,000	$8,790, plus 53% of excess over $26,000.
Over $32,000 but not over $38,000	$11,970, plus 55% of excess over $32,000.
Over $38,000 but not over $44,000	$15,270, plus 58% of excess over $38,000.
Over $44,000 but not over $50,000	$18,750, plus 60% of excess over $44,000.
Over $50,000 but not over $60,000	$22,350, plus 62% of excess over $50,000.
Over $60,000 but not over $70,000	$28,550, plus 64% of excess over $60,000.
Over $70,000 but not over $80,000	$34,950, plus 66% of excess over $70,000.
Over $80,000 but not over $90,000	$41,550, plus 68% of excess over $80,000.
Over $90,000 but not over $100,000	$48,350, plus 69% of excess over $90,000.
Over $100,000	$55,250, plus 70% of excess over $100,000."

(b) WITHHOLDING AMENDMENT.—Subsection (a) of section 3402 (relating to requirement of withholding) is amended by striking out the second and third sentences and inserting in lieu thereof the following new sentence: "With respect to wages paid after December 31, 1978, the tables so prescribed shall be the same as the tables prescribed under this subsection which were in effect on January 1, 1975, except that such tables shall be modified to the extent necessary to reflect the amendments made by sections 101 and 102 of the Tax Reduction and Simplification Act of 1977 and the amendments made by sections 101 and 102 of the Revenue Act of 1978."

(c) EFFECTIVE DATES.—

(1) The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1978.

(2) The amendment made by subsection (b) shall apply to wages paid after December 31, 1978.

Section 102 of the bill (relating to personal exemptions increased to $1,000) is deleted and a new section 102 is inserted in lieu thereof to read as follows:

SEC. 102. GENERAL TAX CREDIT.

(a) INCREASE IN AMOUNT OF CREDIT.—Paragraph (2) of section 42(a) (relating to general tax credit) is amended by striking out "$35" and inserting in lieu thereof "$100".

(b) CREDIT MADE PERMANENT.—

(1) Subsection (b) of section 3 of the Revenue Adjustment Act of 1975 (relating to effective date for general tax credit) is amended by striking out the last sentence.

(2) Subsection (e) of section 401 of the Tax Reform Act of 1976 (relating to effective date for extensions of individual income tax reductions) is amended by striking out the first sentence and inserting in lieu thereof the following: "The amendments made by subsection (a) shall apply to taxable years ending after December 31, 1975.".

(c) FILING REQUIREMENTS.—Paragraph (1) of section 6012(a) (relating to persons required to make returns of income) is amended—

(1) by striking out "$2,950" and inserting in lieu thereof "$3,650",

(2) by striking out "$3,950" and inserting in lieu thereof "$4,650",

(3) by striking out "$4,700" and inserting in lieu thereof "$6,100", and

(4) by striking out "$750" each place it appears in subparagraph (B) and inserting in lieu thereof "$1,350".

(d) EFFECTIVE DATES.—

(1) In general.—The amendments made by subsections (a) and (c) shall apply to taxable years beginning after December 31, 1978.

(2) Subsection (b).—The amendments made by subsection (b) shall take effect on the date of the enactment of this Act.

Amend section 21(f) of the Internal Revenue Code of 1954 (as proposed to be inserted by section 105 of the bill) to read as follows:

"(f) CHANGES MADE BY REVENUE ACT OF 1978.—In applying subsection (a) to a taxable year which is not a calendar year, the amendments made by sections 101(a), 102(a), and 301 of the Revenue Act of 1978 (and no other amendments made by such Act) shall be treated as a change in a rate of tax."

Section 403 of the bill (relating to separate minimum tax on capital gains) is deleted and a new section 403 is inserted in lieu thereof to read as follows:

SEC. 403. ADJUSTMENT OF CAPITAL GAIN DEDUCTION FOR INDIVIDUALS.

(a) IN GENERAL.—Section 1202 (relating to deduction for capital gains) is amended to read as follows:

"SEC. 1202. DEDUCTION FOR CAPITAL GAINS OF INDIVIDUALS.

"(a) GENERAL RULE.—Except as otherwise provided in this section, if for any taxable year a taxpayer other than a corporation has a net capital gain, 50 percent of the amount of the net capital gain shall be a deduction from gross income.

"(b) LIMITATION WHERE DEDUCTIONS EXCEED ORDINARY INCOME.—

"(1) APPLICATION OF LIMITATION.—This subsection shall apply for the taxable year only if—

"(A) the deductions allowable by this chapter (other than the deduction allowable under subsection (a) and the charitable contribution deduction allowable by section 170) exceed

"(B) the gross income reduced by the net capital gain.

"(2) CEILING WHERE LIMITATION APPLIES.—If this subsection applies for the taxable year, the amount allowable as a deduction under subsection (a) shall not exceed ½ of the greater of—

"(A) $10,000 ($5,000 in the case of a married individual filing a separate return), or

"(B) the net capital gain reduced by the excess referred to in paragraph (1).

"(3) SPECIAL RULES FOR COMPUTATIONS.—For purposes of this subsection if the taxpayer does not itemize deductions, the zero bracket amount shall be treated as a deduction.

"(c) OTHER COMPUTATIONS NOT AFFECTED BY SUBSECTION (b).—For purposes of this subtitle, if the amount of any deduction or exclusion is determined by reference to gross income, adjusted gross income, or taxable income, such determination shall be made without regard to subsection (b). The preceding sentence shall not apply to the determination of the charitable contribution deduction under section 170.

"(d) SPECIAL RULES FOR ESTATES AND TRUSTS.—

"(1) IN GENERAL.—In the case of an estate or trust, the deduction under this section shall be computed by excluding the portion (if any) of the gains for the taxable year from sales or exchanges of capital assets which, under sections 652 and 662 (relating to inclusion of amounts in gross income of beneficiaries of trusts), is includible by the income beneficiaries as gain derived from the sale or exchange of capital assets.

"(2) SUBSECTION (b)(2)(A) DOES NOT APPLY TO TRUSTS.—In the case of a trust, subparagraph (A) of subsection (b)(2) shall not apply."

(b) CLERICAL AMENDMENT.—The table of sections for part I of subchapter P of chapter 1 is amended by striking out the item relating to section 1202 and inserting in lieu thereof the following:

"SEC. 1202. DEDUCTION FOR CAPITAL GAINS OF INDIVIDUALS."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1978.

H.R. 13511

By Mr. GEPHARDT:

—Page , after line , insert the following:

Subtitle D—Credit for FICA Taxes

SEC. 131. CREDIT FOR FICA TAXES PAID IN 1979 AND 1980.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 (relating to credits against tax) is amended by inserting after section 44B the following new section:

"SEC. 44C. CREDIT FOR FICA TAXES.

"(a) ALLOWANCE OF CREDIT.—There shall be allowed as a credit against the tax imposed by this subtitle for a taxable year beginning in 1979 or 1980 an amount equal to 5 percent of the taxpayer's FICA taxes for 1979 or 1980, as the case may be.

"(b) FICA TAXES FOR 1979 OR 1980.—The taxpayer's FICA taxes for 1979 or 1980 are—

"(1) in the case of the taxes imposed by section 3101 (relating to Social Security taxes on employees), the taxes paid by the taxpayer with respect to wages received by the taxpayer during the calendar year 1979 or 1980, as the case may be;

"(2) in the case of the taxes imposed by section 3111 (relating to Social Security taxes on employers), the taxes paid by the taxpayer on wages paid by the taxpayer during the calendar year 1979 or 1980, as the case may be; and

"(3) in the case of the tax imposed by section 1401 (relating to tax on self-employment income), the tax imposed on the self-employment income of the taxpayer for the taxable year beginning in 1979 or 1980, as the case may be.

"(c) ONLY NET AMOUNT OF FICA TAXES TAKEN INTO ACCOUNT.—The amount of the FICA taxes of any taxpayer taken into account for any taxable year shall be reduced by an amount equal to that portion of the credit under subsection (b) or (c) of section 6413 which is attributable to such FICA taxes.

"(d) DENIAL OF TRADE OR BUSINESS DEDUCTION.—No deduction shall be allowed to the taxpayer under this chapter for that portion of the taxes imposed by section 3111 which is equal to the amount of the credit allowable under this section.

"(e) WAGES DEFINED.—For purposes of this section, the term 'wages' has the meaning given to such term by section 3121(a), except that such term also includes remuneration covered by an agreement made pursuant to section 218 of the Social Security Act.

"(f) SPECIAL RULES IN CASE OF SECTION 218 AGREEMENTS COVERING STATE AND LOCAL EMPLOYEES.—Under regulations prescribed by the Secretary, in the case of an agreement made pursuant to section 218 of the Social Security Act—

"(1) amounts deducted from the employee's remuneration as a result of such agreement (whether or not such amount has been paid to the Secretary) shall be treated as taxes paid under section 3101, and

"(2) amounts paid by the employer as a result of the agreement which are equivalent to taxes imposed by section 3111 shall be treated as taxes imposed by such section.

"(g) PAYMENTS TO NONTAXABLE ENTITIES.—In the case of—

"(1) a State, a political subdivision of a State, or an agency or instrumentality of one or more States or political subdivisions, or

"(2) an organization exempt from tax under section 501(a) (other than an organization required to make a return of the tax imposed under subtitle A for its taxable years),

no credit shall be allowable under this section, but (in lieu of such credit) the Secretary shall pay the amount determined under this section without interest."

(b) CREDIT TO BE REFUNDABLE.—Subsection (b) of section 6401 (relating to excessive credits) is amended—

(1) by striking out "lubricating oil) and 43" and inserting in lieu thereof "lubricating oil), 43";

(2) by striking out "earned income credit)" and inserting in lieu thereof "earned income credit), and 44C (relating to credit for FICA taxes)"; and

(3) by striking out "39 and 43" and inserting in lieu thereof "39, 43, and 44C".

(c) CLERICAL AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 44B the following new item:

"Sec. 44C. Credit for FICA taxes."

H.R. 13511

By Mr. KEMP:

—Strike out section 101 of the bill and insert in lieu thereof the following:

SEC. 101. REDUCTION IN 1979 INDIVIDUAL INCOME TAX RATES.

(a) GENERAL RULE.—Section 1 (relating to tax imposed) is amended to read as follows:

"SECTION 1. TAX IMPOSED.

"(a) MARRIED INDIVIDUALS FILING JOINT RETURNS AND SURVIVING SPOUSES.—There is hereby imposed on the taxable income of—

"(1) every married individual (as defined in section 143) who makes a single return jointly with his spouse under section 6013, and

"(2) every surviving spouse (as defined in section 2(a)),

a tax determined in accordance with the following table:

"If the taxable income is:	The tax is:
Not over $3,200	No tax.
Over $3,200 but not over $4,200	12% of excess over $3,200.
Over $4,200 but not over $5,200	$120, plus 13% of excess over $4,200.
Over $5,200 but not over $6,200	$250, plus 14% of excess over $5,200.
Over $6,200 but not over $7,200	$390, plus 15% of excess over $6,200.
Over $7,200 but not over $11,200	$540, plus 17% of excess over $7,200.
Over $11,200 but not over $15,200	$1,200, plus 19% of excess over $11,200.
Over $15,200 but not over $19,200	$1,980, plus 22% of excess over $15,200.
Over $19,200 but not over $23,200	$2,860, plus 25% of excess over $19,200.
Over $23,200 but not over $27,200	$3,860, plus 28% of excess over $23,200.
Over $27,200 but not over $31,200	$4,980, plus 32% of excess over $27,200.
Over $31,200 but not over $35,200	$6,260, plus 35% of excess over $31,200.
Over $35,200 but not over $39,200	$7,660, plus 37% of excess over $35,200.
Over $39,200 but not over $43,200	$9,140, plus 40% of excess over $39,200.
Over $43,200 but not over $47,200	$10,740, plus 43% of excess over $43,200.
Over $47,200 but not over $55,200	$12,460, plus 45% of excess over $47,200.
Over $55,200 but not over $67,200	$16,060, plus 47% of excess over $55,200.
Over $67,200 but not over $79,200	$21,700, plus 49% of excess over $67,200.
Over $79,200 but not over $91,200	$27,580, plus 52% of excess over $79,200.
Over $91,200 but not over $103,200	$33,820, plus 54% of excess over $91,200.
Over $103,200 but not over $123,200	$40,300, plus 56% of excess over $103,200.
Over $123,200 but not over $143,200	$51,500, plus 58% of excess over $123,200.
Over $143,200 but not over $163,200	$63,100, plus 59% of escess over $143,200.
Over $163,200 but not over $183,200	$74,900, plus 61% of excess over $163,200.
Over $183,200 but not over $203,200	$87,100, plus 62% of excess over $183,200.
Over $203,200	$99,500, plus 63% of excess over $203,200.

"(b) HEADS OF HOUSEHOLDS.—There is hereby imposed on the taxable income of every individual who is the head of household (as defined in section 2(b)) a tax determined in accordance with the following table:

"If the taxable income is:	The tax is:
Not over $2,200	No tax.
Over $2,200 but not over $2,700	12.0% of excess over $2,200.
Over $2,700 but not over $3,200	$60, plus 12.5% of excess over $2,700.
Over $3,200 but not over $3,700	$122.50, plus 13.5% of excess over $3,200.
Over $3,700 but not over $4,200	$190, plus 14.0% of excess over $3,700.
Over $4,200 but not over $5,200	$260, plus 15.5% of excess over $4,200.
Over $5,200 but not over $6,200	$415, plus 16.0% of excess over $5,200.
Over $6,200 but not over $8,200	$575, plus 17.5% of excess over $6,200.
Over $8,200 but not over $10,200	$925, plus 19.0% of excess over $10,200.
Over $10,200 but not over $12,200	$1,305, plus 20.5% of excess over $8,200.
Over $12,200 but not over $14,200	$1,715, plus 21.0% of excess over $12,200.
Over $14,200 but not over $16,200	$2,135, plus 24.0% of excess over $14,200.
Over $16,200 but not over $18,200	$2,615, plus 24.5% of excess over $15,200.
Over $18,200 but not over $20,200	$3,105, plus 28% of excess over $18,200.
Over $20,200 but not over $22,200	$3,665, plus 28.5% of excess over $20,200.
Over $22,200 but not over $24,200	$4,235, plus 30.5% of excess over $22,200.
Over $24,200 but not over $26,200	$4,845, plus 31.5% of excess over $24,200.
Over $26,200 but not over $28,200	$5,475, plus 33.5% of excess over $26,200.

Over $28,200 but not over $30,200	$6,145, plus 36.0% of excess over $28,200.
Over $30,200 but not over $34,200	$6,865, plus 37.5% of excess over $30,200.
Over $34,200 but not over $38,200	$8,365, plus 41.0% of excess over $34,200.
Over $38,200 but not over $40,200	$10,005, plus 42.5% of excess over $40,200.
Over $40,200 but not over $42,200	$10,855, plus 45.0% of excess over $38,200.
Over $42,200 but not over $46,200	$11,755, plus 46.5% of excess over $42,200.
Over $46,200 but not over $52,200	$13,615, plus 49.5% of excess over $46,200.
Over $52,200 but not over $54,200	$16,585, plus 50.5% of excess over $52,200.
Over $54,200 but not over $62,200	$17,595, plus 51.5% of excess over $54,200.
Over $62,200 but not over $66,200	$21,715, plus 52.5% of excess over $62,200.
Over $66,200 but not over $72,200	$23,815, plus 53.5% of excess over $66,200.
Over $72,200 but not over $78,200	$27,025, plus 54.0% of excess over $72,200.
Over $78,200 but not over $82,200	$30,265, plus 55.5% of excess over $78,200.
Over $82,200 but not over $90,200	$32,485, plus 56.5% of excess over $82,200.
Over $90,200 but not over $92,200	$37,005, plus 57.5% of excess over $90,200.
Over $92,200 but not over $102,200	$38,155, plus 58.0% of excess over $92,200.
Over $102,200 but not over $122,200	$43,955, plus 59.5% of excess over $102,200.
Over $122,200, but not over $142,200	$55,855, plus 60.5% of excess over $122,200.
Over $142,200 but not over $152,200	$67,955, plus 61.0% of excess over $142,200.
Over $152,200 but not over $162,200	$74,055, plus 61.0% of excess over $152,200.
Over $162,200 but not over $182,200	$80,155, plus 62.0% of excess over $162,200.
Over $182,200 but not over $202,200	$92,555, plus 62.5% of excess over $182,200.
Over $202,200	$105,055, plus 63.0% of excess over $202,200.

"(c) UNMARRIED INDIVIDUALS (OTHER THAN SURVIVING SPOUSES AND HEADS OF HOUSEHOLDS.—There is hereby imposed on the taxable income of every individual (other than a surviving spouse as defined in section 2(a) or the head of a household as defined in section 2(b)) who is not a married individual (as defined in section 143) a tax determined in accordance with the following table:

"If the taxable income is:	The tax is:
Not over $2,200	No tax.
Over $2,200 but not over $2,700	12 percent of excess over $2,200.
Over $2,700 but not over $3,200	$60, plus 13 percent of excess over $2,700.
Over $3,200 but not over $3,700	$125, plus 14 percent of excess over $3,200.
Over $3,700 but not over $4,200	$195, plus 15 percent of excess over $3,700.
Over $4,200 but not over $6,200	$270, plus 17 percent of excess over $4,200.
Over $6,200 but not over $8,200	$610, plus 18 percent of excess over $6,200.
Over $8,200 but not over $10,200	$970, plus 21 percent of excess over $8,200.
Over $10,200 but not over $12,200	$1,390, plus 22 percent of excess over $10,200.
Over $12,200 but not over $14,200	$1,830, plus 23 percent of excess over $12,200.
Over $14,200 but not over $16,200	$2,290, plus 26 percent of excess over $14,200.
Over $16,200 but not over $18,200	$2,810, plus 27 percent of excess over $16,200.
Over $18,200 but not over $20,200	$3,350, plus 31 percent of excess over $18,200.
Over $20,200 but not over $22,200	$3,970, plus 32 percent of excess over $20,200.
Over $22,200 but not over $24,200	$4,610, plus 33 percent of excess over $22,200.
Over $24,200 but not over $28,200	$5,270, plus 35 percent of excess over $24,200.
Over $28,200 but not over $34,200	$6,670, plus 40 percent of excess over $28,200.
Over $34,200 but not over $40,200	$9,070, plus 45 percent of excess over $34,200.
Over $40,200 but not over $46,200	$11,770, plus 50 percent of excess over $40,200.
Over $46,200 but not over $52,200	$14,770, plus 54 percent of excess over $46,200.
Over $52,200 but not over $62,200	$18,010, plus 56 percent of excess over $52,200.
Over $62,200 but not over $72,200	$23,610, plus 58 percent of excess over $62,200.
Over $72,200 but not over $82,200	$29,410, plus 59 percent of excess over $72,200.
Over $82,200 but not over $92,200	$35,310, plus 61 percent of excess over $82,200.
Over $92,200 but not over $102,200	$41,410, plus 62 percent of excess over $92,200.
Over $102,200	$47,610, plus 63 percent of excess over $102,200.

"(d) MARRIED INDIVIDUALS FILING SEPARATE RETURNS.—There is hereby imposed on the taxable income of every married individual (as defined in section 143) who does not make a single return jointly with his spouse under section 6013 a tax determined in accordance with the following table:

"If the taxable income is:	The tax is:
Not over $1,600	No tax.
Over $1,600 but not over $2,100	12% of excess over $1,600.
Over $2,100 but not over $2,600	$60, plus 13% of excess over $2,100.
Over $2,600 but not over $3,100	$125, plus 14% of excess over $2,600.
Over $3,100 but not over $3,600	$195, plus 15% of excess over $3,100.
Over $3,600 but not over $5,600	$270, plus 17% of excess over $3,600.
Over $5,600 but not over $7,600	$610, plus 19% of excess over $5,600.
Over $7,600 but not over $9,600	$990, plus 22% of excess over $7,600.
Over $9,600 but not over $11,600	$1,430, plus 25% of excess over $9,600.
Over $11,600 but not over $13,600	$1,930, plus 28% of excess over $11,600.
Over $13,600 but not over $15,600	$2,490, plus 32% of excess over $13,600.
Over $15,600 but not over $17,600	$3,130, plus 35% of excess over $15,600.
Over $17,600 but not over $19,600	$3,830, plus 37% of excess over $17,600.
Over $19,600 but not over $21,600	$4,570, plus 40% of excess over $19,600.
Over $21,600 but not over $23,600	$5,370, plus 43% of excess over $21,600.
Over $23,600 but not over $27,600	$6,230, plus 45% of excess over $23,600.
Over $27,600 but not over $33,600	$8,030, plus 47% of excess over $27,600.
Over $33,600 but not over $39,600	$10,850, plus 49% of excess over $33,600.
Over $39,600 but not over $45,600	$13,790, plus 52% of excess over $39,600.
Over $45,600 but not over $51,600	$16,910, plus 54% of excess over $45,000.
Over $51,600 but not over $61,600	$20,150, plus 56% of excess over $51,600.
Over $61,600 but not over $71,600	$25,750, plus 58% of excess over $61,600.
Over $71,600 but not over $81,600	$31,550, plus 59% of excess over $71,600.
Over $81,600 but not over $91,600	$37,450, plus 61% of excess over $81,600.
Over $91,600 but not over $101,600	$43,550, plus 62% of excess over $91,600.
Over $101,600	$49,750, plus 63% of excess over $101,600.

"(e) ESTATES AND TRUSTS.—There is hereby imposed on the taxable income of every estate and trust taxable under this subsection a tax determined in accordance with the following table:

"If the taxable income is:	The tax is:
Not over $500	12% of taxable income.
Over $500 but not over $1,000	$60, plus 13% of excess over $500.
Over $1,000 but not over $1,500	$125, plus 14% of excess over $1,000.
Over $1,500 but not over $2,000	$195, plus 15% of excess over $1,500.
Over $2,000 but not over $4,000	$270, plus 17% of excess over $2,000.
Over $4,000 but not over $6,000	$610, plus 19% of excess over $4,000.
Over $6,000 but not over $8,000	$990, plus 22% of excess over $6,000.
Over $8,000 but not over $10,000	$1,430, plus 25% of excess over $8,000.
Over $10,000 but not over $12,000	$1,930, plus 28% of excess over $10,000.
Over $12,000 but not over $14,000	$2,490, plus 32% of excess over $12,000.
Over $14,000 but not over $16,000	$3,130, plus 35% of excess over $14,000.
Over $16,000 but not over $18,000	$3,830, plus 37% of excess over $16,000.
Over $18,000 but not over $20,000	$4,570, plus 40% of excess over $18,000.
Over $20,000 but not over $22,000	$5,370, plus 43% of excess over $20,000.
Over $22,000 but not over $26,000	$6,230, plus 45% of excess over $22,000.
Over $26,000 but not over $32,000	$8,030, plus 47% of excess over $26,000.
Over $32,000 but not over $38,000	$10,850, plus 49% of excess over $32,000.
Over $38,000 but not over $44,000	$13,790, plus 52% of excess over $38,000.
Over $44,000 but not over $50,000	$16,910, plus 54% of excess over $44,000.
Over $50,000 but not over $60,000	$20,150, plus 56% of excess over $50,000.
Over $60,000 but not over $70,000	$25,750, plus 58% of excess over $60,000.
Over $70,000 but not over $80,000	$31,550, plus 59% of excess over $70,000.
Over $80,000 but not over $90,000	$37,450, plus 61% of excess over $80,000.
Over $90,000 but not over $100,000	$43,550, plus 62% of excess over $90,000.
Over $100,000	$49,750, plus 63% of excess over $100,000."

(b) WITHHOLDING AMENDMENT.—Subsection (a) of section 3402 (relating to requirement of withholding) is amended by striking out the second and third sentences and inserting in lieu thereof the following new sentence: "With respect to wages paid after December 31, 1978, the tables so prescribed shall be the same as the tables prescribed under this subsection which were in effect on January 1, 1975, except that—

"(1) tables shall be modified to the extent necessary to reflect the amendments made by sections 101 and 102 of the Tax Reduction and Simplification Act of 1977, and

"(2) such tables shall be further modified—

"(A) with respect to wages paid in 1979, to the extent necessary to reflect the amendment made by section 101(a) of the Revenue Act of 1978,

"(B) with respect to wages paid in 1980, to the extent necessary to reflect the amendment made by section 102(a) of the Revenue Act of 1978, and

"(C) with respect to wages paid after 1980, to the extent necessary to reflect the amendment made by section 103(a) of the Revenue Act of 1978."

(c) EFFECTIVE DATE.—

(1) SUBSECTION (a).—The amendment made by this subsection (a) shall apply to taxable years beginning in calendar year 1979.

(2) SUBSECTION (b).—The amendment made by subsection (b) shall apply to wages paid after December 31, 1978.

SEC. 102. REDUCTION IN 1980 INDIVIDUAL INCOME TAX RATES

(a) PERMANENT REDUCTION.—Section 1 (relating to tax imposed) is amended to read as follows:

"SECTION 1. TAX IMPOSED.

"(a) MARRIED INDIVIDUALS FILING JOINT RETURNS AND SURVIVING SPOUSES.—There is hereby imposed on the taxable income of—

"(1) every married individual (as defined in section 143) who makes a single return jointly with his spouse under section 6013, and

"(2) every surviving spouse (as defined in section 2(a)),

a tax determined in accordance with the following table:

"If the taxable income is:	The tax is:
Not over $3,200	No tax.
Over $3,200 but not over $4,200	10% of excess over $3,200.
Over $4,200 but not over $5,200	$100, plus 11% of excess over $4,200.
Over $5,200 but not over $6,200	$210, plus 12% of excess over $5,200.
Over $6,200 but not over $7,200	$330, plus 13% of excess over $6,200.
Over $7,200 but not over $11,200	$460, plus 15% of excess over $7,200.
Over $28,200 but not over $30,200	$1,060, plus 17% of excess over $11,200.
Over $30,200 but not over $34,200	$1,740, plus 19% of excess over $15,200.
Over $19,200 but not over $23,200	$2,500, plus 22% of excess over $19,200.
Over $23,200 but not over $27,200	$3,380, plus 25% of excess over $23,200.
Over $27,200 but not over $31,200	$4,380, plus 28% of excess over $27,200.
Over $31,200 but not over $35,200	$5,500, plus 31% of excess over $31,200.
Over $35,200 but not over $39,200	$6,740, plus 33% of excess over $35,200.
Over $39,200 but not over $43,200	$8,060, plus 35% of excess over $39,200.
Over $43,200 but not over $47,200	$9,460, plus 38% of excess over $43,200.
Over $47,200 but not over $55,200	$10,980, plus 40% of excess over $47,200.
Over $55,200 but not over $67,200	$14,180, plus 41% of excess over $55,200.
Over $67,200 but not over $79,200	$19,100, plus 43% of excess over $67,200.
Over $79,200 but not over $91,200	$24,260, plu 46% of excess over $79,200.
Over $91,200 but not over $103,200	$29,780, plus 48% of excess over $91,200.
Over $103,200 but not over $123,200	$35,540, plus 50% of excess over $103,200.
Over $123,200 but not over $143,200	$45,540, plus 52% of excess over $123,200.
Over $143,200 but not over $163,200	$55,940, plus 53% of excess over $143,200.
Over $163,200 but not over $183,200	$66,540, plus 54% of excess over $163,200.
Over $183,200 but not over $203,200	$77,340, plus 55% of excess over $183,200.
Over $203,200	$88,340, plus 56% of excess over $203,200.

"(b) HEADS OF HOUSEHOLDS.—There is hereby imposed on the taxable income of every individual who is the head of household (as defined in section 2(b)) a tax determined in accordance with the following table:

"If the taxable income is:	The tax is:
Not over $2,200	No tax.
Over $2,200 but not over $2,700	10 percent of excess over $2,200.
Over $2,700 but not over $3,200	$50, plus 10.5 percent of excess over $2,700.
Over $3,200 but not over $3,700	$102.50, plus 11.5 percent of excess over $3,200.

Over $3,700 but not over $4,200	$160, plus 12 percent of excess over $3,700.
Over $4,200 but not over $5,200	$220, plus 13 percent of excess over $4,200.
Over $5,200 but not over $6,200	$350, plus 13.5 percent of excess over $5,200.
Over $6,200 but not over $8,200	$485, plus 15.5 percent of excess over $6,200.
Over $8,200 but not over $10,200	$795, plus 16.5 percent of excess over $8,200.
Over $10,200 but not over $12,200	$1,125, plus 18 percent of excess over $10,200.
Over $12,200 but not over $14,200	$1,485, plus 19 percent of excess over $12,200.
Over $14,200 but not over $16,200	$1,865, plus 20.5 percent of excess over $14,200.
Over $16,200 but not over $18,200	$2,275, plus 21.5 percent of excess over $16,200.
Over $18,200 but not over $20,200	$2,705, plus 24.5 percent of excess over $18,200.
Over $20,200 but not over $22,200	$3,195, plus 25.5 percent of excess over $20,200.
Over $22,200 but not over $24,200	$3,705, plus 27.5 percent of excess over $22,200.
Over $24,200 but not over $26,200	$4,255, plus 28 percent of excess over $24,200.
Over $26,200 but not over $28,200	$4,815, plus 29.5 percent of excess over $26,200.
Over $28,200 but not over $30,200	$5,405, plus 32 percent of excess over $28,200.
Over $30,200 but not over $34,200	$6,045, plus 33.5 percent of excess over $30,200.
Over $34,200 but not over $38,200	$7,385, plus 37 percent of excess over $34,200.
Over $38,200 but not over $40,200	$8,865, plus 38 percent of excess over $38,200.
Over $40,200 but not over $42,200	$9,625, plus 39 percent of excess over $40,200.
Over $42,200 but not over $46,200	$10,405, plus 40.5 percent of excess over $42,200.
Over $46,200 but not over $52,200	$12,025, plus 44 percent of excess over $46,200.
Over $52,200 but not over $54,200	$14,665, plus 44.5 percent of excess over $52,200.
Over $54,200 but not over $62,200	$15,555, plus 45 percent of excess over $54,200.
Over $62,200 but not over $66,200	$19,155, plus 46 percent of excess over $62,200.
Over $66,200 but not over $72,200	$20,995, plus 47 percent of excess over $66,200.
Over $72,200 but not over $78,200	$23,815, plus 47.5 percent of excess over $72,200.
Over $78,200 but not over $82,200	$26,665, plus 49 percent of excess over $78,200.
Over $82,200 but not over $90,200	$28,625, plus 50 percent of excess over $82,200.
Over $90,200 but not over $92,200	$32,625, plus 51 percent of excess over $90,200.
Over $92,200 but not over $102,200	$33,645, plus 51.5 percent of excess over $92,200.
Over $102,200 but not over $122,200	$38,795, plus 53 percent of excess over $102,200.
Over $122,200 but not over $142,200	$49,395, plus 54 percent of excess over $122,200.
Over $142,200 but not over $152,200	$60,195, plus 54.5 percent of excess over $142,200.
Over $152,200 but not over $162,200	$65,645, plus 54.5 percent of excess over $152,200.
Over $162,200 but not over $182,200	$71,095, plus 55 percent of excess over $162,200.
Over $182,200 but not over $202,200	$82,095, plus 55.5 percent of excess over $182,200.
Over $202,200	$93,195, plus 56 percent of excess over $202,200.

"(c) UNMARRIED INDIVIDUALS (OTHER THAN SURVIVINGS SPOUSES AND HEADS OF HOUSEHOLD.)—There is hereby imposed on the taxable income of every individual (other than a surviving spouse as defined in section 2(a) or the head of a household as defined in section 2(b)) who is not a married individual (as defined in section 143) a tax determined in accordance with the following table:

"If the taxable income is:	The tax is:
Not over $2,200	No tax.
Over $2,200 but not over $2,700	10% of excess over $2,200.
Over $2,700 but not over $3,200	$50, plus 11% of excess over $2,700.
Over $3,200 but not over $3,700	$105, plus 12% of excess over $3,200.
Over $3,700 but not over $4,200	$165, plus 13% of excess over $3,700.
Over $4,200 but not over $6,200	$230, plus 14% of excess over $4,200.
Over $6,200 but not over $8,200	$510, plus 16% of excess over $6,200.
Over $8,200 but not over $10,200	$830, plus 18% of excess over $8,200.
Over $10,200 but not over $12,200	$1,190, plus 19% of excess over $10,200.
Over $12,200 but not over $14,200	$1,570, plus 21% of excess over $12,200.
Over $14,200 but not over $16,200	$1,990, plus 22% of excess over $14,200.
Over $16,200 but not over $18,200	$2,430, plus 24% of excess over $16,200.
Over $18,200 but not over $20,200	$2,910, plus 27% of excess over $18,200.
Over $20,200 but not over $22,200	$3,450, plus 29% of excess over $20,200.
Over $22,200 but not over $24,200	$4,030, plus 30% of excess over $22,200.
Over $24,200 but not over $28,200	$4,630, plus 31% of excess over $24,200.
Over $28,200 but not over $34,200	$5,870, plus 36% of excess over $28,200.
Over $34,200 but not over $40,200	$8,030, plus 41% of excess over $34,200.
Over $40,200 but not over $46,200	$10,490, plus 43% of excess over $40,200.
Over $46,200 but not over $52,200	$13,070, plus 48% of excess over $46,200.
Over $52,200 but not over $62,200	$15,950, plus 49% of excess over $52,200.
Over $62,200 but not over $72,200	$20,850, plus 51% of excess over $62,200.
Over $72,200 but not over $82,200	$25,950, plus 52% of excess over $72,200.
Over $82,200 but not over $92,200	$31,150, plus 54% of excess over $82,200.
Over $92,200 but not over $102,200	$36,550, plus 55% of excess over $92,200.
Over $102,200	$42,050, plus 56% of excess over $102,200.

"(d) MARRIED INDIVIDUALS FILING SEPARATE RETURNS.—There is hereby imposed on the taxable income of every married individual (as defined in section 143) who does not make a single return jointly with his spouse under section 6013 a tax determined in accordance with the following table:

"If the taxable income is:	The tax is:
Not over $1,600	No tax.
Over $1,600 but not over $2,100	10% of excess over $1,600.
Over $2,100 but not over $2,600	$50, plus 11% of excess over $2,100.
Over $2,600 but not over $3,100	$105, plus 12% of excess over $2,600.
Over $3,100 but not over $3,600	$165, plus 13% of excess over $3,100.
Over $3,600 but not over $5,600	$230, plus 15% of excess over $3,600.
Over $5,600 but not over $7,600	$530, plus 17% of excess over $5,600.
Over $7,600 but not over $9,600	$870, plus 19% of excess over $7,600.
Over $9,600 but not over $11,600	$1,250, plus 22% of excess over $9,600.
Over $11,600 but not over $13,600	$1,690, plus 25% of excess over $11,600.

Over $13,600 but not over $15,600	$2,190, plus 28% of excess over $13,600.
Over $15,600 but not over $17,600	$2,750, plus 31% of excess over $15,600.
Over $17,600 but not over $19,600	$3,370, plus 33% of excess over $17,600.
Over $19,600 but not over $21,600	$4,030, plus 35% of excess over $19,600.
Over $21,600 but not over $23,600	$4,730, plus 38% of excess over $21,600.
Over $23,600 but not over $27,600	$5,490, plus 40% of excess over $23,600.
Over $27,600 but not over $33,600	$7,090, plus 41% of excess over $27,600.
Over $33,600 but not over $39,600	$9,550, plus 43% of excess over $33,600.
Over $39,600 but not over $45,600	$12,130, plus 46% of excess over $39,600.
Over $45,600 but not over $51,600	$14,890, plus 48% of excess over $45,600.
Over $51,600 but not over $61,600	$17,770, plus 50% of excess over $51,600.
Over $61,600 but not over $71,600	$22,770, plus 52% of excess over $61,600.
Over $71,600 but not over $81,600	$27,970, plus 53% of excess over $71,600.
Over $81,600 but not over $91,600	$33,270, plus 54% of excess over $81,600.
Over $91,600 but not over $101,600	$38,670, plus 55% of excess over $91,600.
Over $101,600	$44,170, plus 56% of excess over $101,600.

"(e) ESTATES AND TRUSTS.—There is hereby imposed on the taxable income of every estate and trust taxable under this subsection a tax determined in accordance with the following table:

"If the taxable income is:	The tax is:
Not over $500	10% of taxable income.
Over $500 but not over $1,000	$50, plus 11% of excess over $500.
Over $1,000 but not over $1,500	$105, plus 12% of excess over $1,000.
Over $1,500 but not over $2,000	$165, plus 13% of excess over $1,500.
Over $2,000 but not over $4,000	$230, plus 15% of excess over $2,000.
Over $4,000 but not over $6,000	$530, plus 17% of excess over $4,000.
Over $6,000 but not over $8,000	$870, plus 19% of excess over $6,000.
Over $8,000 but not over $10,000	$1,250, plus 22% of excess over $8,000.
Over $10,000 but not over $12,000	$1,690, plus 25% of excess over $10,000.
Over $12,000 but not over $14,000	$2,190, plus 28% of excess over $12,000.
Over $14,000 but not over $16,000	$2,750, plus 31% of excess over $14,000.
Over $16,000 but not over $18,000	$3,370, plus 33% of excess over $16,000.
Over $18,000 but not over $20,000	$4,030, plus 35% of excess over $18,000.
Over $20,000 but not over $22,000	$4,730, plus 38% of excess over $20,000.
Over $22,000 but not over $26,000	$5,490, plus 40% of excess over $22,000.
Over $26,000 but not over $32,000	$7,090, plus 41% of excess over $26,000.
Over $32,000 but not over $38,000	$9,550, plus 43% of excess over $32,000.
Over $38,000 but not over $44,000	$12,130, plus 46% of excess over $38,000.
Over $44,000 but not over $50,000	$14,890, plus 48% of excess over $44,000.
Over $50,000 but not over $60,000	$17,770, plus 50% of excess over $50,000.
Over $60,000 but not over $70,000	$22,770, plus 52% of excess over $60,000.
Over $70,000 but not over $80,000	$27,970, plus 53% of excess over $70,000.
Over $80,000 but not over $90,000	$33,270, plus 54% of excess over $80,000.
Over $90,000 but not over $100,000	$38,670, plus 55% of excess over $90,000.
Over $100,000	$44,170, plus 56% of excess over $100,000."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning in calendar year 1980.

SEC. 103. PERMANENT REDUCTION IN INDIVIDUAL INCOME TAX RATES.

(a) PERMANENT REDUCTION.—Section 1 (relating to tax imposed) is amended to read as follows:

"SECTION 1. TAX IMPOSED.

"(a) MARRIED INDIVIDUALS FILING JOINT RETURNS AND SURVIVING SPOUSES.—There is hereby imposed on the taxable income of—

"(1) every married individual (as defined in section 143) who makes a single return jointly with his spouse under section 6013, and

"(2) every surviving spouse (as defined in section 2(a)),

a tax determined in accordance with the following table:

"If the taxable income is:	The tax is:
Not over $3,200	No tax.
Over $3,200 but not over $4,200	8% of excess over $3,200.
Over $4,200 but not over $5,200	$80, plus 9% of excess over $4,200.
Over $5,200 but not over $6,200	$170, plus 10% of excess over $5,200.
Over $6,200 but not over $7,200	$270, plus 11% of excess over $6,200.
Over $7,200 but not over $11,200	$380, plus 13% of excess over $7,200.
Over $11,200 but not over $15,200	$900, plus 15% of excess over $11,200.
Over $15,200 but not over $19,200	$1,500, plus 17% of excess over $15,200.
Over $19,200 but not over $23,200	$2,180, plus 19% of excess over $19,200.
Over $23,200 but not over $27,200	$2,940, plus 21% of excess over $23,200.
Over $27,200 but not over $31,200	$3,780, plus 24% of excess over $27,200.
Over $31,200 but not over $35,200	$4,740, plus 27% of excess over $31,200.
Over $35,200 but not over $39,200	$5,820, plus 29% of excess over $35,200.
Over $39,200 but not over $43,200	$6,980, plus 31% of excess over $39,200.
Over $43,200 but not over $47,200	$8,220, plus 33% of excess over $43,200.
Over $47,200 but not over $55,200	$9,540, plus 35% of excess over $47,200.
Over $55,200 but not over $67,200	$12,340, plus 36% of excess over $55,200.
Over $67,200 but not over $79,200	$16,660, plus 37% of excess over $67,200.
Over $79,200 but not over $91,200	$21,100, plus 40% of excess over $79,200.
Over $91,200 but not over $103,200	$25,900, plus 42% of excess over $91,200.
Over $103,200 but not over $123,200	$30,940, plus 44% of excess over $103,200.
Over $123,200 but not over $143,200	$39,740, plus 46% of excess over $123,200.
Over $143,200 but not over $163,200	$48,940, plus 47% of excess over $143,200.
Over $163,200 but not over $183,200	$58,340, plus 48% of excess over $163,200.
Over $183,200 but not over $203,200	$67,940, plus 49% of excess over $183,200.
Over $203,200	$77,740, plus 50% of excess over $203,200.

"(b) HEADS OF HOUSEHOLDS.—There is hereby imposed on the taxable income of every individual who is the head of household (as defined in section 2(b)) a tax determined in accordance with the following table:

"If the taxable income is:	The tax is:
Not over $2,200	No tax.
Over $2,200 but not over $2,700	7.5% of excess over $2,200.
Over $2,700 but not over $3,200	$37.50, plus 8.5% of excess over $2,700.
Over $3,200 but not over $3,700	$80, plus 9.5% of excess over $3,200.
Over $3,700 but not over $4,200	$127.50, plus 10% of excess over $3,700.
Over $4,200 but not over $5,200	$177, plus 11% of excess over $4,200.
Over $5,200 but not over $6,200	$287, plus 11.5% of excess over $5,200.
Over $6,200 but not over $8,200	$402, plus 13% of excess over $6,200.
Over $8,200 but not over $10,200	$622, plus 14.5% of excess over $8,200.
Over $10,200 but not over $12,200	$952, plus 16% of excess over $10,200.
Over $12,200 but not over $14,200	$1,272, plus 16.5% of excess over $12,200.
Over $14,200 but not over $16,200	$1,602, plus 18.5% of excess over $14,200.
Over $16,200 but not over $18,200	$1,972, plus 19% of excess over $16,200.
Over $18,200 but not over $20,200	$2,352, plus 21% of excess over $18,200.
Over $20,200 but not over $22,000	$2,772, plus 21.5% of excess over $20,200.
Over $22,200 but not over $24,200	$3,202, plus 23.5% of excess over $22,200.
Over $24,200 but not over $26,200	$3,672, plus 24% of excess over $24,200.
Over $26,200 but not over $28,200	$4,152, plus 25.5% of excess over $26,200.
Over $28,200 but not over $30,200	$4,662, plus 27.5% of excess over $28,200.
Over $30,200 but not over $34,200	$5,212, plus 29% of excess over $30,200.
Over $34,200 but not over $38,200	$6,372, plus 32.5% of excess over $34,200.
Over $38,200 but not over $40,200	$7,672, plus 33.5% of excess over $38,200.
Over $40,200 but not over $42,200	$8,342, plus 34.5% of excess over $40,200.
Over $42,200 but not over $46,200	$9,032, plus 35.5% of excess over $42,200.
Over $46,200 but not over $52,200	$10,452, plus 38.5% of excess over $46,200.
Over $52,200 but not over $54,200	$12,762, plus 39% of excess over $52,200.
Over $54,200 but not over $62,200	$13,542, plus 39.5% of excess over $54,200.
Over $62,200 but not over $66,200	$16,702, plus 40% of excess over $62,200.
Over $66,200 but not over $72,200	$18,302, plus 40.5% of excess over $66,200.
Over $72,200 but not over $78,200	$20,732, plus 41% of excess over $72,200.
Over $78,200 but not over $82,200	$23,192, plus 42.5% of excess over $78,200.
Over $82,200 but not over $90,200	$24,892, plus 44% of excess over $82,200.
Over $90,200 but not over $92,200	$28,412, plus 45% of excess over $90,200.
Over $92,200 but not over $102,200	$29,312, plus 45.5% of excess over $92,200.
Over $102,200 but not over $122,200	$33,862, plus 47% of excess over $102,200.
Over $122,200 but not over $142,200	$43,262, plus 48% of excess over $122,200.
Over $142,200 but not over $152,200	$57,712, plus 48.5% of excess over $152,200.
Over $152,200 but not over $162,200	$57,712, plus 48.5% of excess over $162,200.
Over $162,200 but not over $182,200	$62,562, plus 49% of excess over $162,200.
Over $182,200 but not over $202,200	$72,362, plus 49.5% of excess over $182,200.
Over $202,200	$82,262, plus 50% of excess over $202,200.

"(c) UNMARRIED INDIVIDUALS (OTHER THAN SURVIVING SPOUSES AND HEADS OF HOUSEHOLDS).—There is hereby imposed on the taxable income of every individual (other than a surviving spouse as defined in section 2(a) or the head of a household as defined in section 2(b)), who is not a married individual (as defined in section 143) a tax determined in accordance with the following table:

"If the taxable income is:	The tax is:
Not over $2,200	No tax.
Over $2,200 but not over $2,700	7 percent of excess over $2,200.
Over $2,700 but not over $3,200	$35, plus 9 percent of excess over $2,700.
Over $3,200 but not over $3,700	$80, plus 10 percent of excess over $3,200.
Over $3,700 but not over $4,200	$130, plus 11 percent of excess over $3,700.
Over $4,200 but not over $6,200	$185, plus 12 percent of excess over $4,200.
Over $6,200 but not over $8,200	$425, plus 13 percent of excess over $6,200.
Over $8,200 but not over $10,200	$685, plus 16 percent of excess over $8,200.
Over $10,200 but not over $12,200	$1,005, plus 17 percent of excess over $10,200.
Over $12,200 but not over $14,200	$1,345, plus 18 percent of excess over $12,200.
Over $14,200 but not over $16,200	$1,705, plus 20 percent of excess over $14,200.
Over $16,200 but not over $18,200	$2,105, plus 21 percent of excess over $16,200.
Over $18,200 but not over $20,200	$2,525, plus 23 percent of excess over $18,200.
Over $20,200 but not over $22,200	$2,985, plus 24 percent of excess over $20,200.
Over $22,200 but not over $24,200	$3,465, plus 26 percent of excess over $22,200.
Over $24,200 but not over $28,200	$3,985, plus 27 percent of excess over $24,200.
Over $28,200 but not over $34,200	$5,065, plus 31 percent of excess over $28,200.
Over $34,200 but not over $40,200	$6,925, plus 36 percent of excess over $34,200.
Over $40,200 but not over $46,200	$9,085, plus 38 percent of excess over $40,200.
Over $46,200 but not over $52,200	$11,365, plus 42 percent of excess over $46,200.
Over $52,200 but not over $62,200	$13,885, plus 43% of excess over $52,200.
Over $62,200 but not over $72,200	$18,185, plus 44% of excess over $62,200.
Over $72,200 but not over $82,200	$22,585, plus 45% of excess over $72,200.
Over $82,200 but not over $92,200	$27,085, plus 48% of excess over $82,200.
Over $92,200 but not over $102,200	$31,885, plus 49% of excess over $92,200.
Over $102,200	$36,785, plus 50% of excess over $102,200.

"(d) MARRIED INDIVIDUALS FILING SEPARATE RETURNS.—There is hereby imposed on the taxable income of every married individual (as defined in section 143) who does not make a single return jointly with his spouse under section 6013 a tax determined in accordance with he following table:

"If the taxable income is:	The tax is:
Not over $1,600	No tax.
Over $1,600 but not over $2,100	8% of excess over $1,600.
Over $2,100 but not over $2,600	$40, plus 9% of excess over $2,100.
Over $2,600 but not over $3,100	$85, plus 10% of excess over $2,600.
Over $3,100 but not over $3,600	$135, plus 11% of excess over $3,100.
Over $3,600 but not over $5,600	$190, plus 13% of excess over $3,600.
Over $5,600 but not over $7,600	$450, plus 15% of excess over $5,600.
Over $7,600 but not over $9,600	$750, plus 17% of excess over $7,600.
Over $9,600 but not over $11,600	$1,090, plus 19% of excess over $9,600.
Over $11,600 but not over $13,600	$1,470, plus 21% of excess over $11,600.
Over $13,600 but not over $15,600	$1,890, plus 24% of excess over $13,600.
Over $15,600 but not over $17,600	$2,370, plus 27% of excess over $15,600.
Over $17,600 but not over $19,600	$2,910, plus 29% of excess over $17,600.
Over $19,600 but not over $21,600	$3,490, plus 31% of excess over $19,600.
Over $21,600 but not over $23,600	$4,110, plus 33% of excess over $21,600.
Over $23,600 but not over $27,600	$4,770, plus 35% of excess over $23,600.
Over $27,600 but not over $33,600	$6,170, plus 36% of excess over $27,600.
Over $33,600 but not over $39,600	$8,330, plus 37% of excess over $33,600.
Over $39,600 but not over $45,600	$10,550, plus 40% of excess over $39,600.
Over $45,600 but not over $51,600	$12,950, plus 42% of excess over $45,600.
Over $51,600 but not over $61,600	$15,470, plus 44% of excess over $51,600.
Over $61,600 but not over $71,600	$19,870, plus 46% of excess over $61,600.
Over $71,600 but not over $81,600	$24,470, plus 47% of excess over $71,600.
Over $81,600 but not over $91,600	$29,170, plus 48% of excess over $81,600.
Over $91,600 but not over $101,600	$33,970, plus 49% of excess over $91,600.
Over $101,600	$38,870, plus 50% of excess over $101,600."

"(e) ESTATES AND TRUSTS.—There is hereby imposed on the taxable income of every estate and trust taxable under this subsection a tax determined in accordance with the following table:

"If the taxable income is:	The tax is:
Not over $500	8% of taxable income.
Over $500 but not over $1,000	$40, plus 9% of excess over $500.
Over $1,000 but not over $1,500	$85, plus 10% of excess over $1,000.
Over $1,500 but not over $2,000	$135, plus 11% of excess over $1,500.
Over $2,000 but not over $4,000	$190, plus 13% of excess over $2,000
Over $4,000 but not over $6,000	$450, plus 15% of excess over $4,000.
Over $6,000 but not over $8,000	$750, plus 17% of excess over $6,000.
Over $8,000 but not over $10,000	$1,090 plus 19% of excess over $8,000.
Over $10,000 but not over $12,000	$1,470, plus 21% of excess over $10,000.
Over $12,000 but not over $14,000	$1,890, plus 24% of ercess over $12,000.
Over $14,000 but not over $16,000	$2,370, plus 27% of excess over $14,000.
Over $16,000 but not over $18,000	$2,910, plus 29% of excess over $16,000.
Over $18,000 but not over $20,000	$3,490, plus 31% of excess over $18,000.
Over $20,000 but not over $22,000	$4,110, plus 33% of excess over $20,000.
Over $22,000 but not over $26,000	$4,770, plus 35% of excess over $22,000.
Over $26,000 but not over $32,000	$6,170, plus 36% of excess over $26,000.
Over $32,000 but not over $38,000	$8,330, plus 37% of excess over $32,000.
Over $38,000 but not over $44,000	$10,550, plus 40% of excess over $38,000.
Over $44,000 but not over $50,000	$12,950, plus 42% of excess over $44,000.
Over $50,000 but not over $60,000	$15,470, plus 44% of excess over $50,000.
Over $60,000 but not over $70,000	$19,870, plus 46% of excess over $60,000.
Over $70,000 but not over $80,000	$24,470, plus 47% of excess over $70,000.
Over $80,000 but not over $90,000	$29,170, plus 48% of excess over $80,000.
Over $90,000 but not over $100,000	$33,970, plus 49% of excess over $90,000.
Over $100,000	$38,870, plus 50% of excess over $100,000."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1980.

Redesignate sections 102, 103, 104, and 105 of the bill as sections 104, 105, 106, and 107, respectively.

In paragraph (1) of section 21(f) of the Internal Revenue Code of 1954 (as proposed to be inserted by section 107 of the bill, as so redesignated), strike out "sections 101, 102" and insert in lieu thereof "sections 101, 102, 103, 104,".

H.R. 13511

By Mr. MOORE:

—On page —, line —, add the following new section:

SEC. 106. INTEREST INCOME EXCLUSION.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to items specifically excluded from gross income) is amended by redesignating section 124 as section 125 and by inserting after section 123 the following new section:

"SEC. 124. PARTIAL EXCLUSION OF INTEREST RECEIVED BY INDIVIDUALS.

"(a) EXCLUSION.—In the case of an individual, gross income does not include amounts received as interest which would, but for this section, be includible in the gross income of such individual for the taxable year.

"(b) LIMITATION.—The exclusion allowed under subsection (a) shall not exceed $100 for any individual for any taxable year."

(b) CLERICAL AMENDMENT.—The table of sections for such part III is amended by striking out the item relating to section 124 and inserting in lieu thereof the following:

"Sec. 124. Partial exclusion of interest received by individuals.
"Sec. 125. Cross references to other Acts."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply only with respect to taxable years ending after December 31, 1978.

H.R. 13511

By Mr. OTTINGER:

—At the end thereof, add the following:

TITLE V—TAX INCENTIVES FOR THE PRODUCTION AND CONSERVATION OF ENERGY AND FOR CONVERSION TO ALTERNATIVE ENERGY SOURCES

SEC. 501. RESIDENTIAL ENERGY CREDIT.

(a) GENERAL RULE.—Subpart A of part IV of subchapter A of chapter 1 (relating to credits allowable) is amended by inserting after section 44B the following new section:

"SEC. 44C. RESIDENTIAL ENERGY CREDIT.

"(a) GENERAL RULE.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of—

"(1) the qualified energy conservation expenditures, plus

"(2) the qualified renewable energy source expenditures, plus

"(3) the qualified hydrogen energy expenditures.

"(b) QUALIFIED EXPENDITURES.—For purposes of subsection (a)—

"(1) ENERGY CONSERVATION.—In the case of any dwelling unit, the qualified energy conservation expenditures are 20 percent of so much of the energy conservation expenditures made by the taxpayer during the taxable year with respect to such unit as does not exceed $2,000.

"(2) RENEWABLE ENERGY SOURCES.—In the case of any dwelling unit, the qualified renewable energy source expenditures are the following percentages of the renewable energy source expenditures made by the taxpayer during the taxable year with respect to such unit.

"(A) 30 percent of so much of such expenditures as does not exceed $2,000, plus

"(B) 20 percent of so much of such expenditures as exceeds $2,000 but does not exceed $10,000.

"(3) HYDROGEN ENERGY.—In the case of any dwelling unit, the qualified hydrogen energy expenditures are 20 percent of so much of the hydrogen energy expenditures made by the taxpayer during the taxable year with respect to such unit as does not exceed $2,000.

"(4) PRIOR EXPENDITURES BY TAXPAYER ON SAME RESIDENCE TAKEN INTO ACCOUNT.—If for any prior taxable year a credit was allowed to the taxpayer under this section with respect to any dwelling unit by reason of energy conservation expenditures or renewable energy source expenditures, paragraph (1), (2), or (3) (whichever is appropriate) shall be applied for the taxable year with respect to such dwelling unit by reducing each dollar amount contained in such paragraph by the prior year expenditures taken into account under such paragraph.

"(5) MINIMUM DOLLAR AMOUNT.—No credit shall be allowed under this section with respect to any return for any taxable year if the amount which would (but for this paragraph) be allowable with respect to such return is less than $10.

"(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) ENERGY CONSERVATION EXPENDITURE.—The term 'energy conservation expenditure' means an expenditure made on or after April 20, 1977, by the taxpayer for insulation or any other energy-conserving component (or for the original installation of such insulation or other component) installed in or on a dwelling unit—

"(A) which is located in the United States, the Virgin Islands, or Guam,

"(B) which is used by the taxpayer as his principal residence, and

"(C) the construction of which was substantially completed before April 20, 1977.

"(2) RENEWABLE ENERGY SOURCE EXPENDITURE.—

"(A) IN GENERAL.—The term 'renewable energy source expenditure' means an expenditure made on or after April 20, 1977, by the taxpayer for renewable energy source property installed in connection with a dwelling unit—

"(i) which is located in the United States, the Virgin Islands, or Guam, and

"(ii) which is used by the taxpayer as his principal residence.

"(B) ITEMS INCLUDED.—The term 'renewable energy source expenditure' includes only expenditures for—

"(i) renewable energy source property,

"(ii) labor costs properly allocable to the onsite preparation, assembly, or installation of renewable energy source property, or

"(C) SWIMMING POOL, ETC., USED AS STORAGE MEDIUM.—The term 'renewable energy source expenditure' does not include any expenditure properly allocable to a swimming pool used as an energy storage medium or to any other energy storage medium which has a function other than the function of such storage.

"(3) HYDROGEN ENERGY EXPENDITURES.—

"(A) IN GENERAL.—The term 'hydrogen energy expenditures' means an expenditure made on or after April 20, 1977, by the taxpayer for hydrogen energy property and installation installed in connection with a dwelling unit—

"(i) which is located in the United States, the Virgin Islands, or Guam, and

"(ii) which is used by the taxpayer as his principal residence.

"(B) ITEMS INCLUDED.—The term 'hydrogen energy expenditures' includes only expenditures for—

"(i) hydrogen energy property, and

"(ii) labor costs properly allocable to the onsite preparation, assembly, or installation of hydrogen energy property, or to the modification of conventional property for the use of hydrogen as a fuel.

"(4) INSULATION.—The term 'insulation' means any item—

"(A) which is specifically and primarily designed to reduce when installed in or on a dwelling (or water heater) the heat loss or gain of such dwelling (or water heater),

"(B) the original use of which begins with the taxpayer,

"(C) which can reasonably be expected to remain in operation for at least 3 years, and

"(D) which meets the performance and quality standards, if any, which—

"(i) have been prescribed by the Secretary by regulations, and

"(ii) are in effect at the time of the acquisition of the item.

"(5) OTHER ENERGY-CONSERVING COMPONENT.—The term 'other energy-conserving component' means any item (other than insulation)—

"(A) which is—

"(i) a furnace replacement burner designed to achieve a reduction in the amount of fuel consumed as a result of increased combustion efficiency,

"(ii) a device for modifying flue openings designed to increase the efficiency of operation of the heating system,

"(iii) an electrical or mechanical furnace ignition system which replaces a gas pilot light,

"(iv) a storm or thermal window or door for the exterior of the dwelling,

"(v) an automatic energy-saving setback thermostat,

"(vi) caulking or weather stripping of an exterior door or window,

"(vii) a heat pump which replaces an electric resistance heating system,

"(viii) meters which display the cost of energy usage,

"(ix) a replacement fluorescent lighting system,

"(x) an evaporative cooling device,

"(xi) is an item (other than a fireplace) which is designed to use wood and peat as a fuel for space heating, the heating of water or cooking of food, or any combination thereof, including any controls, ducts, stovepipes, footing or other item (other than a chimney) necessary for the safe and efficient operation of any such item, or

"(xii) an item of the kind which the Secretary specifies by regulations as increasing (by conversion or otherwise) the energy efficiency of the dwelling,

"(B) the original use of which begins with the taxpayer,

"(C) which can reasonably be expected to remain in operation for at least 3 years, and

"(D) which meets the performance and quality standards, if any, which—

"(i) have been prescribed by the Secretary by regulations, and

"(ii) are in effect at the time of the acquisition of the item.

In establishing regulations under this paragraph, the Secretary shall prescribe (i) guidelines setting forth the criteria which are used in the determination of whether an item is an energy-conserving component, and (ii) a procedure under which a manufacturer of an item may request the Secretary to specify or certify that item as an energy-conserving component.

"(6) RENEWABLE ENERGY SOURCE PROPERTY.—The term 'renewable energy source property' means property—

"(A) which, when installed in connection with a dwelling—

"(i) uses solar energy in either an active or passive method the primary purpose of which is heating or cooling such dwelling or providing hot water for use within such dwelling, or in the production of electricity,

"(ii) uses wind energy for nonbusiness residential purposes,

"(iii) is necessary to distribute or use geothermal deposits (as defined in section 613 (e)) which provide geothermal energy to heat or cool such building or provide hot water for use within such building, or

"(iv) uses any other form of renewable energy which the Secretary specifies by regulations,

"(B) the original use of which begins with the taxpayer,

"(C) which can reasonably be expected to remain in operation for at least 5 years, and

"(D) which meets the performance and quality standards, if any, which—

"(i) have been prescribed by the Secretary by regulations, and

"(ii) are in effect at the time of the acquisition of the property.

"(7) HYDROGEN ENERGY PROPERTY.—The term 'hydrogen energy property' means property—

"(A) which, when installed in connection with a dwelling—

"(i) uses hydrogen as a fuel for the purpose of heating or cooling such dwelling or providing hot water for use within such dwelling, or

"(ii) is used in the electrolysis of water for the production of hydrogen,

"(B) the original use of which begins with the taxpayer

"(C) which can reasonably be expected to remain in operation for at least 5 years, and

"(D) which meets the performance and quality standards, if any, which—

"(i) have been prescribed by the Secretary by regulations, and

"(ii) are in effect at the time of the acquisition of the property.

"(8) CONSULTATION IN PRESCRIBING STANDARDS.—Performance and quality standards shall be prescribed by the Secretary under paragraphs (4), (5), (6), and (7) only after consultation with the Secretary of Energy, the Secretary of Housing and Urban Development, and other appropriate Federal agencies.

"(9) WHEN EXPENDITURES MADE; AMOUNT OF EXPENDITURES.—

"(A) Except as provided in subparagraph (B) an expenditure with respect to an item shall be treated as made when original installation of the item is completed.

"(B) In the case of renewable energy source expenditures in connection with the construction or reconstruction of a dwelling, such expenditures shall be treated as made when the original use of the constructed or reconstructed dwelling by the taxpayer begins.

"(C) The amount of any expenditure shall be the cost thereof.

"(D) If less than 80 percent of the use of an item is for nonbusiness residential purposes, only that portion of the expenditures for such item which is properly allocable to use for nonbusiness residential purposes shall be taken into account. For purposes of the preceding sentence, use for a swimming pool shall be treated as use which is not for residential purposes.

"(10) PRINCIPAL RESIDENCE.—The determination of whether or not a dwelling unit is a taxpayer's principal residence shall be made under principles similar to those applicable to section 1034, except that—

"(A) no ownership requirement shall be imposed, and

"(B) the period for which a dwelling is treated as the principal residence of the taxpayer shall include the 30-day period ending on the first day on which it would (but for this subparagraph) be treated as his principal residence.

"(1) ENVIRONMENTAL RESTRICTIONS ON CERTAIN WOOD AND PEAT BURNING ITEMS.—No credit shall be allowed under subsection (a) for expenditures with respect to any item described in paragraph (5)(A)(xii) which are to be installed in any metropolitan or other area after the date on which—

"(A) the Administrator of the Environmental Protection Agency certifies to the Secretary that the emissions from such items would cause air quality in such area to be in violation of any Federal law, or

"(B) the Secretary of Agriculture certifies to the Secretary that additional consumption of wood in connection with such items would endanger forests in that area.

"(d) SPECIAL RULES.—For purposes of this section—

"(1) DOLLAR AMOUNTS IN CASE OF JOINT OCCUPANCY.—In the case of any dwelling unit which is jointly occupied and used during any calendar year as a principal residence by 2 or more individuals—

"(A) the amount of the credit allowable under subsection (a) by reason of energy conservation expenditures or by reason of renewable energy source expenditures (as the case may be) made during such calendar year by any of such individuals with respect to such dwelling unit shall be determined by treating all of such individuals as one taxpayer whose taxable year is such calendar year; and

"(B) each of such individuals shall be allowed a credit under subsection (a) for the taxable year in which such calendar year ends (subject to the limitation of paragraph (5) of subsection (b)) in an amount which bears the same ratio to the amount determined under subparagraph (A) as the amount of such expenditures made by such individual during such calendar year bears to the aggregate of such expenditures made by all of such individuals during such calendar year.

"(2) TENANT-STOCKHOLDER IN COOPERATIVE HOUSING CORPORATION.—In the case of an individual who holds stock as a tenant-stockholder (as defined in section 216) in a cooperative housing corporation (as defined in such section), such individual shall be treated as having made his tenant-stockholder's proportionate share (as defined in section 216(b)(3)) of any expenditures of such corporation.

"(3) CONDOMINIUMS.—

"(A) IN GENERAL.—In the case of an individual who is a member of a condominium management association with respect to a condominium which he owns, such individual shall be treated as having made his proportionate share of any expenditures of such association.

"(B) CONDOMINIUM MANAGEMENT ASSOCIATION.—For purposes of this paragraph, the term 'condominium management association' means an organization which meets the requirements of paragraph (1) of section 528(c) (other than subparagraph (E) thereof) with respect to a condominium project substantially all of the units of which are used as residences.

"(e) BASIS ADJUSTMENTS.—For purposes of this subtitle, if a credit is allowed under this section for any expenditure with respect to any property, the increase in the basis of such property which would (but for this subsection) result from such expenditure shall be reduced by the amount of the credit so allowed.

"(f) TERMINATION.—This section shall not apply to expenditures made after December 31, 1985.".

(b) CARRYOVER OF UNUSED CREDIT.—If the amount of the credit determined under this section for the taxable year exceeds the liability for the taxpayer for the tax under this chapter for the taxable year, the excess shall be carried over to each of the two taxable years succeeding that taxable year. The entire amount of the unused credit for an unused credit year shall be carried to the earliest of the two taxable years to which it may be carried, and then to the succeeding taxable year to the extent that it may not be added for a prior taxable year to which it might be carried.

(c) INSPECTION.—To the extent not presently authorized and utilized by any agency of the United States in the assessment and collection of income taxes, no procedure or practice which utilizes onsite inspection of the residence of an individual shall be employed to determine if that individual is entitled to a credit under section 44C of the Internal Revenue Code of 1954, as added by subsection (a), unless such procedure or practice provides that such inspection shall take place only with the written consent of such individual.

(d) TECHNICAL AND CLERICAL AMENDMENTS.—

(1) The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 44B the following new item:
"Sec. 44C. Residential energy credit.".

(2) Subsection (c) of section 56 (defining regular tax deduction) is amended by striking out "credits allowable under—" and all that follows and inserting in lieu thereof "credits allowable under subpart A of part IV other than under sections 31, 39, 43, 44C, 44E, 44F, 44G, 44H, 44I, and 44J.".

(3) Subsection (a) of section 1016 (relating to adjustments to basis) is amended by inserting after paragraph (20) the following new paragraph:

"(21) to the extent provided in section 44C(e), in the case of property with respect to which a credit has been allowed under section 44C;".

(4) Subsection (b) of section 6096 (relating to designation of income tax payment to Presidential Election Campaign Fund) is amended by striking out "and 44B" and inserting in lieu thereof "44B, and 44C".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending on or after April 20, 1977.

H.R. 13635

By Mr. HOWARD:

—Page 42, beginning on line 3, strike out "That no funds" and all that follows through "dislocations" on line 6, and insert in lieu thereof the following:

That no more than 10 percent of the funds appropriated in this Act and to be used for payments under contracts shall be used for payments under contracts hereafter made for the purpose of relieving economic dislocations.

EXTENSIONS OF REMARKS

PLACING A COST ON THE USE OF THE SPECTRUM

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 7, 1978

● Mr. WAXMAN. Mr. Speaker, one of the most critical features of H.R. 13015 is the proposed spectrum use fee. After the bill was introduced, the staff developed a proposed fee schedule which attempted to quantify in some tangible measure the scarcity value of the spectrum. The results of the formula which was developed, however, also underscore the difficulty in translating this novel concept into an equitable schedule. This will be the subject of extensive debate in the Communications Subcommittee, and eventually by the full House. In order to better inform my colleagues of these issues, I am pleased to insert in the RECORD the memorandum prepared by the subcommittee staff on this proposal.

The memorandum follows:

BROADCAST LICENSE FEES

This memo reviews the spectrum management mechanism set forth in H.R. 13015, it discusses the meaning of "scarcity" and looks at indicators of scarcity in the various broadcast services. Finally it sets forth and discusses fee schedules for the four major broadcast services—AM radio, FM radio, VHF television, and UHF television.

SPECTRUM MANAGEMENT IN H.R. 13015

H.R. 13015 splits the spectrum management task for the civil (non-federal government) portion of the spectrum into two parts. Spectrum allocation is to be done by the National Telecommunications Agency (NTA) while licensing and associated frequency assignment tasks are to be done by the Communications Regulatory Commission (CRC). The CRC is also directed to set license fees in the various radio services taking into account the scarcity value of the license as well as the administrative costs of licensing. It is intended that the economic information developed by the CRC in setting license fees will be used by the NTA when reallocating spectrum. One important aspect of the allocation task is to see that spectrum resources are used efficiently. Careful measurement of scarcity and the economic assessment of the effects of scarcity should aid in the efficient allocation of the spectrum resource.

In addition to aiding the NTA in spectrum allocation the resource scarcity-based license fees system should also lead in improved efficiency in the use of the spectrum in any one service. The license fee will encourage spectrum conservation and the use of more efficient technologies.

SCARCITY VALUE

H.R. 13015 uses the phrase "scarcity value of the spectrum being assigned" to describe one element which should go into the calculation of the license fee. The scarcity

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