The House met at 10 a.m. The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Almighty God, we rejoice in the majesty of Your love to us. We give You praise for the opportunity to be of service to others, for the privilege of living in a free land, and for the satisfaction that comes when we are faithful in our work.

Grant, O Lord, that we will live each day with purpose and dedication and with appreciation of family and friends for support and trust. May cynicism or apathy not overwhelm or falsify the prize of accomplishment dim our mission. Give us the faith to celebrate Your presence and power that we might be worthy stewards of the calling that is ours.

In the name of the Lord, 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.

Pursuant to clause 1, rule I, the Journal stands approved.

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. 3990) entitled “An act to amend the Rail Passenger Service Act to extend the authorization of appropriations for Amtrak for 3 additional years, and for other purposes.”

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


And that the Senate disagreed to the House amendment to the title of the foregoing bill.

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House with an amendment to the foregoing bill.

H.R. 3923. An act to amend chapter 28 of title 44, United States Code, to extend for two years the authorization of appropriations for the National Historical Publications and Records Commission, and for other purposes.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S.J. Res. 105. Joint resolution to provide for a temporary extension of certain Federal Housing Administration authorities, and for other purposes.

The message also announced that the Vice President, pursuant to Public Law 70-770, appointed Mr. Fyves as a member, on the part of the Senate, of the Migratory Bird Conservation Commission, vice Mr. Haskell, retired.

EXTENSION OF DEPARTMENT OF JUSTICE APPROPRIATION AUTHORIZATION ACT, 1979

Mr. Edwards of California. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of the bill (H.R. 5380) to continue in effect any authority provided under the Department of Justice Appropriation Authorization Act, fiscal year 1979, for a certain period, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

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

There was no objection. The Clerk read the bill, as follows:

H.R. 5380

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the authority, and any limitation on authority, contained in the Department of Justice Appropriation Authorization Act, fiscal year 1979, shall continue in effect with respect to activities of the Department of Justice (including any bureau, office, board, division, commission, or subdivision thereof) until the effective date of a general authorization Act or the end of the sixtieth day after the date of the enactment of this Act, whichever is earlier.

The SPEAKER. The gentleman from California (Mr. Edwards) is recognized for 1 hour.

Mr. Edwards of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill is a very simple, very limited solution to a difficult problem.

As the House is aware, the current fiscal year will end on September 30 and the new year—fiscal 1980—will begin next Monday, October 1.

The Justice Department’s present authorization, however, will expire with fiscal 1979, and normal temporary authority is necessary to give the House a chance to consider the fiscal 1980 legislation.

This bill would do just that—it is a simple 60-day extension of the authorities contained in last year’s Justice Department authorization bill. The 1980 appropriation legislation, of course, has already been enacted, but certain authority of critical importance to the daily operation of the Department is not covered by that appropriation bill. This 60-day authorization extension is therefore necessary.

One point cannot be emphasized strongly enough: The House needs to manage better its schedule in the future. A year ago, the Justice Department was appropriated before its was authorized. And despite the fact that the Judiciary Committee met its Budget Act deadline by more than a month, this year’s situation is the same: The Department has been appropriated, but not as yet authorized.

Mr. Speaker, the Judiciary Committee ordered the authorization bill reported on April 4; it filed its report with the House on April 23. The Rules Committee reported a rule on June 15. And still—more than 3 months later—we have not reached the floor. We are talking about a bill ordered reported by the Judiciary Committee nearly 6 months ago.

However, that is a matter to be corrected in the future. What we need today is this simple bill. Because the authorization bill will not be enacted by October 1, authority to conduct various vital Department activities may not exist after this weekend. The obligation and dispersal of funds for the carrying on of these activities could therefore be jeopardized.

Unless this simple 60-day extension is agreed to, the following problems are posed:

FBI undercover operations. Authority for the FBI to conduct undercover operations in all areas of their investigative responsibilities would expire.

Purchase of firearms and ammunition. Authority to purchase firearms and ammunition for the FBI, INS, DEA, and U.S. Marshals would expire.

Protection of the person of the President. Authority to fund, conduct undercover operations on the President would expire.

Hire of motor vehicles. The authority to hire motor vehicles would expire for DEA’s utilization in its undercover operations.

Emergency situations. The Attorney General’s authority to expend funds for certain emergency situations would be curtailed.

Payment of rewards. The authority to pay rewards by the FBI, DEA, U.S. Marshals and the Bureau of Prisons would be curtailed.

Supervision of U.S. prisoners in non-Federal institutions. Authority for the U.S. Marshals to expend certain funds to provide for the supervision of U.S. prisoners in non-Federal institutions would be curtailed.

Transfer of prisoners. The authority to permit the U.S. Marshals to bring to
the United States from foreign countries persons charged with a crime would expire.

FBI Records. The specific authority to expend funds to acquire, collect and classify records and exchange them with authorized Federal, State, local and other institutions would expire. Contract employees abroad. Authority for DEA to employ aliens, or contract abroad would not be available.

Drug enforcement related research. DEA authority to conduct research related to enforcement and drug control would expire.

Medical benefits for employees stationed abroad. Certain medical benefits to FBI, INS and DEA employees abroad would expire.

Limitation of service of process by U.S. Marshals. Authority is needed to limit the activities of the U.S. Marshals serving private process.

Insurance for motor vehicles and aircraft. Official business in foreign countries. Authority for this type of insurance would not be available thereby possibly subjecting the Department to expensive tort claims.

Mr. Speaker, I urge the adoption of this bill.

Mr. Speaker, I yield to the ranking minority member of the Committee on the Judiciary, the gentleman from Illinois (Mr. McClory).

Mr. McClory. Mr. Speaker, I thank the gentleman for yielding, and I commend the gentleman from California (Mr. Edwards) for bringing this matter to the House for consideration today.

Mr. Speaker, I fully support this interim legislation made necessary by the House's inability to act on the 1980 authorization even though it was reported by the Committee on the Judiciary last April. The Members will recall that the appropriation legislation for the Department of Justice for fiscal year 1980 has been enacted (Public Law 96-68). However, with the inauguration of the authorization process in the Judiciary Committee last year, many of the authorization issues previously handled by the Appropriations Committee were properly transferred to the Judiciary Committee. Thus in the absence of authorization legislation, many authorizations once contained in the appropriations bill no longer in effect. Some of these relate to the FBI undercover operations, FBI protection of the President, the payment of informers, and providing criminal record identification.

If operated on, we have been unable to act in regular order and trust that we will be able to do so within the 60-day period contained in this extension.

Mr. Hyde. Mr. Speaker, I support this bill and its effort to secure, for the next 30 days or until the just authorization legislation is considered on the floor, the FBI's ability to continue certain undercover investigative operations.

We had hoped that passage of the Justice Department reauthorization would take care of the problem the FBI faces on October 1. Unfortunately, unless this bill is passed, a question will arise as to whether monies generated by FBI undercover operations may be paid into the Treasury or may be used, as is currently the case, to offset expenses incurred in investigating white collar and organized crime. If this bill should fail to pass, and no other source of revenue is found, the Bureau will have to close many ongoing probes.

I believe that this bill is necessary; I would hope that effective, self-funding law enforcement will not incur anyone's objections.

Mr. Edwards of California. Mr. Speaker, as my distinguished chairman's remarks indicate, this bill is designed simply to continue the existing authority of the Department of Justice until such time as the House acts on the 1980 authorization bill. The authorization bill contains a number of provisions which provide the Department and its components with certain authority essential to their continued operation.

And foremost, and of primary importance to me as chairman of the FBI oversight subcommittee, last year's authorization bill gave the FBI certain statutory authorities essential to the operation of the FBI's highly successful undercover activities. The Bureau's undercover program has increased not only in size and scope in the short time it has been in existence but also in quality and sophistication. From breaking up fencing operations and burglary rings the Bureau has moved to organized crime and corruption cases. This is exactly the sort of law enforcement activity my subcommittee has been encouraging the FBI to engage in for the past several years. But without this bill, the Bureau's authority to conduct such operations may expire in a matter of days.

The Department's own Office of Legal Counsel has issued a legal opinion indicating that this could well be the case. My subcommittee and I would hate to see this happen simply because the House failed to act on this simple bill.

My distinguished chairman has alluded to some of the other problems which may arise if this bill is not enacted. The Department of Justice has prepared a document cataloging these problems. I would like to insert it in the Record.

This bill, H.R. 5380, is not a substitute for the general authorization bill, which was reported favorably by the House Committee on the Judiciary early last April. It is simply an interim measure to provide continuing authority for the day-to-day operations of the Department of Justice until the House can consider the 1980 legislation. The short-term nature of this temporary extension of the Department's existing authority is designed to assure that the House will consider the 1980 authorization bill in a timely manner.

I urge the adoption of this bill.
THE ANGELS TRIUMPH

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

Mr. DANEMEYER. Mr. Speaker, for the people of southern California in particular and for baseball fans in general, last night was an historic occasion. For the first time in their 19-year history, the California Angels—with whom I won an American League division championship—and, in the process, they have brought a new sense of pride, accomplishment and community spirit not only to their loyal fans but to people throughout the Los Angeles-San Diego corridor, particularly in Anaheim, the home of the Angels.

Of course, it was not easy. Last night's thrilling 4-1 victory over Kansas City culminated a year in which the Angels overcame both injuries and the odds to prevail. That they should do so is only fitting; as one of baseball's earliest expansion teams, the path to the championship has been a long one indeed. But, with admirable perseverance by the Angels organization from owner Gene Autry, to Manager Jim Fregosi, to the members of the team, right down to the clubhouse staff, deserves a big pat on the back for a job well done. On to Baltimore and more of the same.

RELEASE OF JACOBO TIMERMAN

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

Mr. GILMAN. Mr. Speaker, it is with pleasure that I rise to inform my colleagues in the House of the release of Jacobo Timerman, one of the most renowned political prisoners in the world today. Mr. Timerman, a well-known Argentine editor, publisher and defender of human rights, was released from custody late yesterday by the Argentine military government after more than 2 years of detention.

Falling upon the heels of a visit by the Inter-American Human Rights Commission and a decision by the Argentine Supreme Court ordering Mr. Timerman's release, the Argentine Government's decision is a hopeful sign of their commitment to restore the independence of the judiciary and to begin the long process of healing that nation's wounds and restoring democracy.

It was just 1 week ago today that Mrs. Timerman met here in the Capitol with many Members of the House and Senate who have kept her husband's cause alive throughout his 2 years of imprisonment. Now, thanks to all of our combined efforts and those of his many friends around the world, Jacobo Timerman has been given his freedom to emigrate from a country that puts freedom behind expediency. Everyone in this House should share in this pride, because it was our collective effort that finally swayed the Argentine courts to allow him to go free.

So when we wonder at times about what we are accomplishing here, we can take great comfort from such events, and realize that we have been able to influence freedom and justice throughout the world.

WITHDRAWAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 4360

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

Mr. HUGHES. Mr. Speaker, I ask unanimous consent to withdraw my name as a cosponsor of H.R. 4360, the Underutilized Species Act of 1979.

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

There was no objection.

UNFAIR ADVANTAGE OF UNDECLARED PRESIDENTIAL CANDIDATE CAMPAIGN COMMITTEES

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

Mr. FRENZEL. Mr. Speaker, for the past 2 days at this time I addressed the House about the unfair advantage enjoyed by the senior Senator from Massachusetts as an undeclared candidate for the Presidency. His 36 committees are allowed to accept $5,000 in contributions from any individual, or from any individual as against declared candidate's committees—and they can only have one—are allowed to accept from any individual only $1,000. That means the Kennedy effort can accept $180,000 from any individual as against a declared candidate's limit of $1,000.

I also would like to point out to the House that the beneficiary of this unfair advantage is the author of the Senate counterpart of the Obey-Railsback bill which tries to impose limits on spending for congressional campaigns.

I think we should have a little good example from the Senate and his committees before we take up Obey-Railsback in this House. There should be a statement from him, or from his committees, that they must accept in aggregate, accept no more than $1,000,000 individually, and that they will return any contributions in excess of $1,000 per individual.

Until such a declaration is made, it would not be reasonable to take up a bill to reduce contribution limits for other candidates.
CAMPAIGN CONTRIBUTION LOOPHOLES

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

Mr. EMERY. Mr. Speaker, when the Committee on Rules met last week to address itself to the question of the consideration of the Obey-Railsback provision, I offered an amendment in the Committee on Rules that would have closed the loophole referred to by my colleague, the gentleman from Minnesota (Mr. FRENSZEL). Unfortunately, for whatever reason, the Committee on Rules chose to defeat my amendment twice, once on a bipartisan vote of 8 to 6, once on a bipartisan vote 6-to-0 tie under which the amendment failed.

I say “bipartisan” because at least one Democrat, on each occasion, joined with Republican members to recognize the fact that if campaign regulations and prohibition of contributions are fair for candidates from sources that expect something in return, it is only fair that we tie all of these loopholes down so that the American people will know who is electing the President of the United States and who is not.

CONGRESSMAN CONTE PLAYS IMPORTANT ROLE IN RELEASE OF JACOBO TIMERMAN

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

Mr. YOUNG of Florida. Mr. Speaker, our colleague, the gentleman from Massachusetts (Mr. CONTE), has just mentioned the unfortunate incidents around Jacobo Timerman. The gentleman from Massachusetts (Mr. CONTE) and our colleague from Florida (Mr. GILMAN) have done an outstanding job in securing his release. But I would like to say this: The gentleman from Massachusetts (Mr. CONTE) never missed an opportunity to apply the pressure, to apply the questions, the probing inquiries, as to why something was not being done to secure the release of Mr. Timerman. The fact that the gentleman from Massachusetts was overly modest. He has done an outstanding job, in securing the release of this gentleman from the Argentine jails.

CHEMICAL, BIOLOGICAL, OR RADIOLOGICAL EXPERIMENTS ON CIVILIANS SHOULD BE BANNED

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

Mr. JOHN L. BURTON. Mr. Speaker, when the military appropriation bill comes up either later this week, or whenever, the gentleman from California (Mr. MILLES) and I will be offering an amendment that states:

None of the funds appropriated under this Act may be used for chemical, biological or radiological experiments on nonconsenting civilian populations.

Mr. Speaker, this amendment results from an exposed by the Washington Post and other newspapers where our city and the condominiums around San Francisco were guinea pigs in a naval experiment on biological warfare, causing at least one death and several hospitalizations for a very rare strain of pneumonia.

Mr. Speaker, I would urge my colleagues to support such an amendment.

LAST CHANCE TO VOTE NO ON PANAMA CANAL TREATY

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

Mr. HANSEN. Mr. Speaker, staying power is the mark of a winner in any human endeavor. Today’s test of staying power with regard to the Panama Canal Treaty implementation.

From the beginning of this debate, the House has resisted the giving away of the Panama Canal. We have rightly held our constitutional role in the disposition of territory at every step of the way. In response to our constituents, we have resisted the treaty.

And we have been proven right at every step of the way. It is a bitter irony that many treaty proponents in this House have tried to claim opposition to the very transfer as they are the end attempting to force it upon the Nation.

There is no doubt that treaty and implementation opponents have carried every point of the debate. We have been right on the dollar costs. We have been right on the defense damage. And we have been right on the defense of our national heritage.

The new conference report denies the Congress control over our territory and continues to impose a cost of hundreds of millions of dollars on American taxpayers. As such, it cannot be accepted.

Everything rides on this one final vote. For the Nation’s security, for the people at home, for many good reasons, I hope that this House “stands firm” on today’s conference report on the Panama Canal.

CALL OF THE HOUSE

Mr. HUGHES. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members responded to their names: [Roll No. 507]
CONGRESSIONAL RECORD — HOUSE  

September 26, 1979

Mr. MURPHY of New York. Mr. Speaker, I call for the conference report on the bill (H. R. 111) to enable the United States to maintain American security and interests respecting the Panama Canal, for the duration of the Panama Canal Treaty of 1977.

The Clerk read the title of the bill.

I yield myself such time as I may consume.

Mr. Speaker, we deal today with an issue of vital security and economic interests to the United States. On July 30, when we reported H. R. 111, the distinguished gentleman from Maryland had a motion passed, a motion to instruct the House conference when we went to conference with the Senate on this issue. There were specific sections of H. R. 111 that were not to be altered by this direction of the House. That conference report came back last Thursday.

The Speaker pro tempore. Pursuant to the previous order of the House of September 25, 1979, the conference report is considered as having been read.
Mr. Speaker, I reserve the balance of my time.

Mr. BAUMAN. I yield myself 5 minutes.

Mr. Speaker, the gentleman from New York has referred to this legislation as the "Son of Bauman." I am not sure what illegitimacy that suggests, but the gentleman from Maryland did not claim this legislation as his own. The gentleman from Maryland did not write and sign the treaties that gave away the Panama Canal. James Hobart Carter, and Omar Torrijos did that. The gentleman from Maryland did not ratify those treaties. A mistaken two-thirds of the other body did that. And the gentleman from Maryland did not bring about the requirement for implementing legislation. The treaties and circumstances did that.

But today we are at the end of the road so far as the obligation of the Congress of the United States, and it is not a very pleasant role for the gentleman from Maryland to have had to sign this conference report for the purpose of bringing it before both of the two Houses so that we can make a final decision. I do not have the confidence that the gentlemen who have opposed this implementing legislation from the beginning in that I have said that at some point implementing legislation had to be passed in order to protect the interests of the United States, and that point is October 1, a few days away.

I am not pleased with the contents of this conference report in every respect, but an earlier version was rejected last week because in a number of ways it did not reflect the feeling of the House. We went back to conference and we attempted to address those points. As a result we have brought about a slight reduction in the overall cost to the American taxpayers. We are not quibbling here. It may be $100 million; it may be $200 million. But remember that this treaty was characterized by the President as not going to cost the U.S. taxpayers anything. This treaty is and is absolutely untrue and we know that.

There was also concern expressed that under the terms of the conference report already rejected, any President, this President might go away the entire canal and its operations well before the end of the century. This conference report specifically says that cannot be done, and it is the intention of the conference to uphold that prohibition.

We did strengthen the section against retroactive taxation by Panama of citizens and corporations in the Canal Zone, directing the President not to accede to that. We required, which the bill last week did not require, the placing on the supervisory board of the canal U.S. citizens from the private sector, labor, U.S. ports, shipping, or private business. So the President cannot name five State Department stooges to run the canal operation as he might have wished to do. One of the men of that board will have to come from the Department of Defense.

Most importantly, I would call to the attention of the Members to the provision on page 87 of the conference report in the statement of the managers. It refers to section 1018 of the conference report which deals with a situation in which a security risk or wartime conditions may exist in the canal. At my suggestion the language was added to this statement that it is the intention of the conferees that the phrase "conditions which the United States may consider " is deemed to include any circumstance in which foreign combat troops or military forces other than those of the United States as provided in the canal are located within the Republic of Panama.

This is my belief and my understanding of the gentleman from New York (Mr. Murphy). This congressional intent allows a future President or this President to respond by placing U.S. military officers in control of the canal defense force should such an occurrence be the case. This implementing legislation left. We do not really have time to rewrite it. But I do not think we ought to legislate under the threat of blackmail. I do not think anyone ought to tell this House that we must, because of the threat of violence or force, pass this legislation. If it should be passed at all, it should be because it is the last shred of protection for the interests of the United States and our people, not because of any threat. As much as it is disagreeable for me to say, I see no other implementing legislation possible and each Member must cast his vote on that basis.

Mr. ASHBROOK. Mr. Speaker, will my colleague, the gentleman from Maryland, yield?

Mr. BAUMAN. I yield to the gentleman from Ohio.

Mr. ASHBROOK. I thank my colleague for his statement. Speaking for many of us who have opposed the Panama Canal treaties, even the concept of the treaties during previous administrations and this administration, I want to rise and give my very strong commendation to the chairman of the Senate Armed Services, the gentleman from New York (Mr. Murphy), and to my colleague, the gentleman from Maryland (Mr. Bauman), who did the very, very best they could under adverse situations. To repeat what has already been said, No. 1, as for the constitutional prerogatives that were properly exercised by the other bodies, the executive and the other legislative body, we have no control over those actions. However wrong, they advised and consented and the treaty is a reality. As the gentleman has indicated, this was not on our terms; it was not on our philosophy or the policies of the Members of this body would want to adopt.

But after saying that, I am reminded sometimes of when back home people criticize a Supreme Court decision or the President, and they say, "Well, what are we going to do about it?" I usually reply with a facetious answer: "We are not voting on it this year." No matter what side of the Panama Canal treaties we are not voting on that today. The people should hold the President and the Senators who save it away accountable at the polls.

I want to say merely to my colleague, the gentleman from Maryland (Mr. Bauman) and my colleague, the gentleman from New York (Mr. Murphy) that in these adverse situations, considering we did not have that much input, we are a little bit as Charlie Hallick used to say, "We are in on the landing; we were not in on the takeoff," and I think after all that we could say and the colleagues had done the very best they could. They
ought to have the commendation of every Member of this body for their work. I personally appreciated your patriotic efforts.

Mr. BAUMAN. I thank the gentleman, my good friend from Ohio.

Mr. MURPHY. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Wisconsin (Mr. ZABLOCKI), the chairman of the Committee on Merchant Marine and Fisheries, the gentleman from New York (Mr. Murphy), through his able leadership and determination that we now have such strong legislation.

Mr. ZABLOCKI. Mr. Speaker, I rise in strong support of the conference report on H.R. 111. This latest version of H.R. 111 further strengthens the House position and serves to allay the concerns expressed by some Members when the original conference report was considered by the House last week.

I would like again to commend, as I did last week, the House conferees for all of their efforts, and in particular the chairman of the Committee on Merchant Marine and Fisheries, the gentleman from New York (Mr. Murphy), through his able leadership and determination that we now have such strong legislation.

I would like also to commend our colleague, the gentleman from Mississippi, the Honorable David Bowen, who served in a dual capacity as a member of the Committee on Foreign Affairs and the Committee on Merchant Marine and Fisheries for the gentleman's diligent efforts and contributions throughout the shaping of this bill. Of course, we must commend the leadership of the loyal opposition, our very fine and esteemed friend, the honorable gentleman from Maryland, Mr. Robert Bauman, for his constructive role. Recognizing we are, as the gentleman stated, at the end of the road. The gentleman from Maryland (Mr. BAUMAN) to his credit signed the conference report. The gentleman has demonstrated responsibility. I hope that it will not be the gentleman's vote which defeats this legislation today. I hope the gentleman will see fit to vote for this legislation, because we will not have any other implementing legislation.

Mr. Speaker, I wish to associate myself with the remarks of our able chairman, the gentleman from New York (Mr. Murphy) and his assessment of the conference report. I do not wish to be repetitive, but I think it must be underscored that the new conference report in essence does the following:

First. Adds statutory language to insure that the final transfer of the canal cannot take place before the year 2000. Second. Includes the House-passed language providing for representative experience on the Board of the Panama Canal Commission from ports, labor, and shipping.

Third. Assures that all costs of implementation associated with the operation and maintenance of the canal will be fully recovered by the United States so no damage will be done by Panama may receive the contingency payment authorized under the treaty.

Fourth. Tracks the treaty provision which prohibits retroactive taxation of American citizens and businesses by Panama.

Fifth. Includes a provision similar to that reported by the Committee on Foreign Affairs, which requires the Administrator of the Panama Canal Commission to comply with any directive issued through the military officer responsible for protection and defense of the canal. Further, the statement of the treaties and this provision applies to any situation in which foreign military forces in Panama threaten the security of the canal.

Mr. Speaker, this conference report responds to the concerns expressed by opponents of the previous conference report, and yet remains within the parameters of the treaties. If this legislation is not passed, we would relinquish those rights accorded to the United States under the treaties, thereby jeopardizing our economic and security interests in the canal. The October 1 deadline is only 4 days away. I urge all gentle­men to respond positively, the repercussions could haunt us for a long time to come.

Mr. Speaker, Members of this body to safeguard U.S. interests by adopting the conference report on H.R. 111.

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

Mr. ZABLOCKI. Yes, I am delighted to yield to the minority leader of the Committee on Foreign Affairs, my dear friend, the gentleman from Michigan (Mr. BROOMFIELD).

Mr. BROOMFIELD. Mr. Speaker, I wish to commend the gentleman in the well, the gentleman from Wisconsin (Mr. ZABLOCKI), the chairman of our committee for his statement. I wish to associate myself with his statement.

I concur in the statement made by the gentleman from New York (Mr. Murphy).

I also want to compliment the gentleman from Maryland (Mr. BAUMAN) for his excellent role in working out what I think is an extremely important piece of legislation.

Mr. Speaker, on October 1, 1979, the Panama Canal treaties of 1977 enter into full force. As provided by the U.S. Senate, I have consistently opposed those treaties and the manner in which they were negotiated and ratified. In fact, if I had been a member of the U.S. Senate, I would have voted “no” on their ratification. In my opinion, they fail short of providing what I consider to be the necessary safeguards for the protection of U.S. interests. Also, I am greatly disturbed by the lack of consultation by this administration and the denial of the proper constitutional role for the House of Representatives in the treaty negotiations and approval process.

However, we are faced with a new reality. Regardless of my personal opinion of the treaties, they have in fact been negotiated with Panama, ratified by the Senate and will take effect on October 1 with or without congressional approval. On that date, all prior treaties will be abrogated and all future U.S. rights to the continued control and operation of the canal depend upon the implementation of the treaties. Consequently, it is imperative that the House meet its responsibilities and act to preserve and protect those rights by approving the necessary management legislation. In the meantime, we must consider the repercussions should we fail to support the treaties. Therefore, the U.S. military—whether it be from ports, labor, and hospitals for U.S. personnel. More importantly, we would have no authority to keep U.S. Armed Forces there and exercise our right under the treaty to maintain U.S. control until the year 2000.

At this time when there is a growing Soviet/Cuban threat in the Caribbean and Central America, we cannot afford to jeopardize our continued control and operation of the canal. According to international law, our failure to implement these treaties, no matter what our opinion of their worth, would unnec­essarily risk what rights we have protected. It would, moreover, give Panama an excuse to abrogate the treaties and terminate entirely our participation on October 1.

A closed canal or restricted access to it would have serious economic and security implications for this country. Vast amounts of cargo go to and from the United States via the canal. A closed canal would disrupt trade, as well as the flow of vital Alaskan oil through the canal to the eastern part of our Nation.

Because of my concern for our economic and security interests, I feel we have an overriding responsibility to protect U.S. treaty rights—now that the treaties are the law of the land—and insure the continued operation of the canal. That responsibility was the paramount concern of the conferees as they reconciled the differences between the House and Senate versions of the implementing legislation.

I am, therefore, gratified that the conference report allows the President to think in terms of U.S. military control if foreign combat troops are placed in Panama. The conference also accepted the House approved approach on the new canal administration, guaranteeing the Congress a major role in the oversight of canal operations throughout the life of the treaty. Furthermore, the conferees reflected the House concern over its constitutional role in the transfer of property by requiring that all future transfers under the treaty will be subjected to congressional approval.

Mr. Speaker, I support the conference report on the implementing legislation for the Panama Canal treaties.

Mr. ZABLOCKI. Mr. Speaker, I want to thank the gentleman for his comments and again commend the gentleman, too, for his leadership on this very vital issue.

Mr. BAUMAN. Mr. Speaker, I yield 2 minutes to the ambassador from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Speaker, with the Senate having acted to pass the implementing legislation, this vote in the
Mr. Speaker, I recognize that if this body had had a voice in ratification of the Panama treaties we might not have faced the responsibility of fashioning implementing legislation today.

But the fact is, the treaties exist and will be in effect as of October 1. We have a responsibility to carry out the international obligations negotiated by President Carter and approved by the Senate.

Earlier the gentleman from Maryland (Mr. Bauman) insisted that the conference report contain language to allow the President to place the canal under military control if foreign combat troops are placed in Panama. I have been disturbed by the friendship between Panama and Cuba, and, therefore, this language would serve to protect the United States if a Cuban or Soviet brigade were brought into Panama.

The key points are these. The canal itself will not be transferred before 1999. Between then, any transfers of property will be subject to congressional approval upon 180-days notice from the President.

Our responsibility was to protect the rights of the United States under treaties. We have insured the smooth and safe operation of this vital waterway. The passage of this bill is in the best interests of the United States.

Mr. Speaker, I have heard the cries of “vote” and after you hear my words of wisdom, I think it will be appropriate that you do vote.

I would suggest that the best interests of the United States, the truly diplomatic vote, the pro-American vote, is to support this conference report.

Early last week, a gentleman from New York (Mr. Murphy) had politely needled our friend, the gentleman from Maryland. I am not quite so sure that the gentleman was sincere in giving all the plaudits to the gentleman from Maryland.

To sum up the whole picture we more than effectively protect the U.S. interests. We want the canal to function. That is why we have had a voice in the ratification.

Mr. MURPHY of New York. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Mississippi (Mr. Bowen).

Mr. BOWEN of Mississippi. Mr. Speaker, I have a great deal of faith in the fundamental intelligence and patriotism of the American people in their ability to separate the wheat from the chaff, their ability to see what clearly is and is not in the national interest.

I think they can and will see very clearly that closing the Panama Canal, bringing our troops home, preserving a vital military and economic life line of America, is certainly not in our national interest.

A few days ago I heard someone standing here in the gallery suggest that in effect we should let Panama try to throw us out of the Canal Zone. I want to assure you that if we do not pass this conference report, it will not be necessary for anyone to throw us out of Panama.

We will be ordering our own people home if we defeat this conference report. I think we appropriated funds for an agency to be known as the Panama Canal Commission, but that agency is not yet in existence, and it is not possible to expend appropriated funds for a figure of the imagination. That agency will not be created unless and until we approve this conference report. Without the creation of that agency, our 6,000 civilian personnel in Panama will be out of work, and they will be unemployed. They will have no place to go but back home to America. I do not think we want that exodus to take place.

By the same token, if we fail to carry out our treaty right and obligation, one which we sought diligently over several years of negotiation, the right to manage, own, and maintain the canal for the remainder of this century, spelled out in article III of the treaty, then clearly we will be in violation of that treaty.

We will be in default of our treaty obligation, and under international law the Republic of Panama would be authorized to terminate the treaty. If that tragic event should happen, we would no longer retain the right to keep our military forces there.

I happen to believe that with 3,000 Soviet combat troops in Cuba, this is no time to pack up our bags and pull out of Panama, no time to withdraw our naval forces from the vital area.

I sincerely hope that by the year 2000 General Torrijos will not be in a position of responsibility in Panama, and I have every reason to think that will be the case. I sincerely hope that by the year 2000 there will be a great deal more political and economic stability in Panama and in all of Central America.

I certainly hope that by the year 2000 there will be no Russian troops in the Caribbean. I hope that by the year 2000 it will not be necessary for us to rely upon the Panama Canal so heavily for our own defense and for the military security of our Nation.

I hope that we will have developed alternate routes and methods of transportation between the Atlantic and the Pacific. But for 1979 and 1980 and the next two decades and thereafter it is essential to every American that we retain the right to administer and defend the Panama Canal, a right which we exercised for 65 years and one that I am confident we will exercise wisely for the next 20.

Mr. Speaker, I believe that the American people can very clearly perceive these facts, and if some of them do not, then it is our duty to help them understand just as it is our duty to do what is right and what is in our national interest.

Mr. Speaker, I urge support for this conference report.

Mr. BAUMAN of Maryland. Mr. Speaker, I yield 6 minutes to the gentleman from Idaho (Mr. Hansen), who has been one of the leaders in opposition to the treaties.

Mr. HANSEN of Idaho. Mr. Speaker, I, too, commend the gentleman from New York (Mr. Murphy) and the gentleman from Maryland (Mr. Bauman) and all who have labored long and hard over this agonizing decision.

I am amazed, however, to hear the chairman of the committee say we have to vote for this legislation, or else. Are we nothing but a parrot for the President? Are we nothing but a parrot for the Senate?

We are free men and women and coercion has no place here. Our interests can only be protected if we vote “no,” and we should vote “no” because this conference report is little improvement from the one last week which we defeated.

First little has been cut from expenses.

Second, property transfer processes are still virtually uncontrolled.

Third, retro-tax protection has no teeth.

Fourth, there are no real restrictions against stationing Russian or Cuban troops in Panama.

Fifth, there are no means for withholding transfer of property or payment of funds to Panama if they violate the terms of the treaties.

Mr. Speaker, this is a most historic occasion. Today we will find whether the Members of this great body will have the courage and foresight to head our vital sea lanes and waterways.

I, for one, am not quite so sure that the gentleman who has been one of the staunchest advocates for the Panama Canal, for our vital sea lanes and waterways, is not yet in existence, and it is not possible to expend appropriated funds for a figure of the imagination. That agency will not be created unless and until we approve this conference report. Without the creation of that agency, our 6,000 civilian personnel in Panama will be out of work, and they will be unemployed. They will have no place to go but back home to America. I do not think we want that exodus to take place.

By the same token, if we fail to carry out our treaty right and obligation, one which we sought diligently over several years of negotiation, the right to manage, own, and maintain the canal for the remainder of this century, spelled out in article III of the treaty, then clearly we will be in violation of that treaty.

We will be in default of our treaty obligation, and under international law the Republic of Panama would be authorized to terminate the treaty. If that tragic event should happen, we would no longer retain the right to keep our military forces there.

I happen to believe that with 3,000 Soviet combat troops in Cuba, this is no time to pack up our bags and pull out of Panama, no time to withdraw our naval forces from the vital area.

I sincerely hope that by the year 2000 General Torrijos will not be in a position of responsibility in Panama, and I have every reason to think that will be the case. I sincerely hope that by the year 2000 there will be a great deal more political and economic stability in Panama and in all of Central America. I certainly hope that by the year 2000 there will be no Russian troops in the Caribbean. I hope that by the year 2000 it will not be necessary for us to rely upon the Panama Canal so heavily for our own defense and for the military security of our Nation.

I hope that we will have developed alternate routes and methods of transportation between the Atlantic and the Pacific. But for 1979 and 1980 and the next two decades and thereafter it is essential to every American that we retain the right to administer and defend the Panama Canal, a right which we exercised for 65 years and one that I am confident we will exercise wisely for the next 20.

Mr. Speaker, I believe that the American people can very clearly perceive these facts, and if some of them do not, then it is our duty to help them understand just as it is our duty to do what is right and what is in our national interest.

Mr. Speaker, I urge support for this conference report.

Mr. BAUMAN of Maryland. Mr. Speaker, I yield 6 minutes to the gentleman from Idaho (Mr. Hansen), who has been one of the leaders in opposition to the treaties.
so loudly about Russians in Cuba but they voted against Senator Dole’s amendment which would have kept the Soviets out of Panama.

And to watch that erosion of principle in this serious matter is most disturbing. We hear of trade-offs for the Tellico Dam. We see parliamentary maneuvers and sophistry replace principle. The gentleman from New York, the chairman of the committee, is going by the board with hardly a whimper. No wonder the American people are disillusioned with politics.

I cry for the taxpayers and the consumer—the interest rates, the costs, the taxes are unbelievable.

I cry for the school child who believes in America and hopes for the same future we have enjoyed.

We are not giving the Panama Canal to the people of Panama. It is being given to an oppressive dictator who has destroyed their rights and bankrupted their country. The people of Panama are not happy and every few days hundreds are chased into the American Canal Zone. Where do they go if we leave?

The issue is not the shadings and double talk of the conference report which is still a copout to the State Department and the Senate.

The real issue is the give away of the Panama Canal.

With Soviet combat troops in the Caribbean—do we dare give away the Panama Canal?

With Castro and Torrijos spreading Marxist terrorism around the Caribbean—do we dare give away the Panama Canal?

With Soviet and Cuban troops standing between us and 75 percent of our oil imports—do we dare give away the Panama Canal?

Those Russian troops are the trainees of Castro’s Africa corps.

Those Russian troops are training Marxist terrorists and revolutionaries all over the Caribbean—undermining our most vulnerable area.

Those Russian troops, thanks to Castro and Torrijos, already have the scalps of many old U.S. friends on their belt like Granada and Nicaragua and they are now reaching for El Salvador and Guatemala. And listen to this State Department FBIS report from Colombia on September 20, “Guerrilla action by the Revolutionary Armed Forces of Colombia (FARC) might resume thanks to the announced arrival in the country of groups trained in specialized camps in the Soviet Union and Czechoslovakia.”

Will we reward the Russians and Castro and the Marxist bandit Torrijos and the reckless international bankers by giving away the Panama Canal and billions of American dollars?

I want no part of it and, mark my words, those who fail to help stop this tragedy this day will soon regret their part in the betrayal of this great Nation.

The greatest of all issues today is do we have the guts in the United States House of Representatives to do what the American people want—what we know is right—we know is the only thing to preserve this Nation? Do we have the guts to defeat this conference report? I pray that we do.

Mr. MURPHY of New York. Mr. Speaker, will my colleague yield?

Mr. HANSEN. Yes; I do yield to my colleague from New York.

Mr. MURPHY of New York. Mr. Speaker, I want to take this opportunity to express my strong feelings that the gentleman from Idaho has assisted this House in arriving at a very solid and tight conference report. The pressure and the statements the gentleman has just made to this body are shared by many Members of this body. The statement the gentleman has made would be a most eloquent speech to vote against their treaty. I think that they should consider the Treaty of 1977 today. We are at the last point, the point of no return, of implementing that treaty regardless of its merits.

Mr. Speaker, what we have done today, of course, the gentleman from Idaho has assisted us in doing. He has brought us to the point where we have lightened down. We have lightened down in all of the security areas the gentleman has just mentioned. I would share the gentleman’s sentiments on a treaty vote but we must stand on the word of America and vote for this legislation.

Mr. HANSEN. Mr. Speaker, I regret that we do not agree but I thank the gentleman from New York for his kind remarks and many considerations over this legislation has been considered.

Let me add this Mr. Speaker.

Staying power is the mark of a winner in any human endeavor. Today’s vote is the final test of staying power.

From the beginning of this debate, the House has resisted the giving away of the Panama Canal. We defended rightly our constitutional role in the disposition of territory at every step of the way. In response to our constituents, we have resisted the transfer.

And we have been proven right at every step of the way. It is a bitter irony that many treaty proponents in this House contain contractual disagreements such as the DeConcini reservation on the United States side and the lack of the same reservation on the Panamanian side (Is there a meeting of the minds on the same treaty?).

We play our little lawsuit to be decided in the American court system,
"no" to the treaty implementation 203-192.

Now, Mr. Speaker, the House voted “no” to treaty implementation.

This week, the House should again vote “no” for the same reasons.

Many voted “yes” when they wanted to vote “no” because of fear—that fear that we must have implementation to prevent chaos and reprisal in the Canal Zone on and after October 1.

First, fear of reprisal by another nation is a poor reason to act on any bill of any kind. It is doubly wrong when the matter under consideration will determine relationships both domestic and foreign for many years to come.

Second, in order to assure ongoing control and operation of the Panama Canal, the House passed the October 1. I have prepared a lawsuit to be filed this week to support continued rejection of treaty implementation legislation:

First, the court will be asked to prevent the status quo, that is, continuation of the Panama Canal Company until such time as Congress shall have finally dealt with the matter of implementation.

Second, the suit will contest the entry into effect of the Treaty of 1977 on the grounds that such treaty cannot go into effect lacking implementing legislation—a position the administration appears to share in view of its coercive drive to force implementation of its own bill under several disguises.

Third, this court action will raise the question of the legality of a treaty which contains contractual disagreements such as the DeConcini reservation on the United States side and the lack of the same reservation on the Panamanian side (Is there a meeting of the minds on the same treaty?).

Fourth, the suit will raise the issue of whether there can no longer be a treaty
in view of the violations of neutrality by Panama and its continuing activities as the staging area for Soviet and Cuban terrorism and revolution in the Western Hemisphere.

The attorneys are convinced our case is valid, our standing is solid and our issue is just.

If the presence of Soviet combat troops in Cuba makes you uneasy, then the new intelligence that this is a highly skilled group which helped organize the Cuban African mission and trained over 8,000 all over Latin America should disturb you even more.

Despite a toothless pronouncement in the Panama Canal treaties as is shown by Resolutions 524 which was passed at the 61st Annual Convention of the American Legion in August of this year.

Resolutions state that all actions by the U.S. Congress which resulted in U.S. citizens actually paying to give away U.S. property, and citizens to remember at the polls in 1980 those U.S. Senators and members of the House of Representatives who voted for this infamous transfer of power. Further, urges the U.S. House of Representatives to continue its dynamic role as "Keeper of the nation's purse" and continue to assert its right to refuse funds which will be required by many agencies of the U.S. Government to implement the Panama Canal Treaties.

The new conference report denies the Congress control over our territory and continues to impose a cost of hundreds of millions on American taxpayers. As such it cannot be accepted. Commonsense tells us that we have heard it all along. Now everything rides on this one final vote—for the Nation's security, for the people at home, for many good reasons, we should vote down the conference report.

Mr. BAUMAN. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. MCCLOSKY).

Mr. MCCLOSKY. Mr. Speaker, I would like to make two comments to those who feel honestly that the Panama Canal Treaty hurts the national security interests of the United States, and to try to give two reasons why I think those interested in the national security should vote for this conference report.

A former President, President Monroe, once laid down a doctrine that ruled the attitudes of foreign nations toward our hemisphere for many, many years. The Monroe Doctrine, in effect, said that it would be viewed as an unfriendly act if a foreign nation established a military presence in the Western Hemisphere.

Due to the efforts of one man, the gentleman from Maryland (Mr. BAUMAN)—and I think as the chairman just said, perhaps the gentleman from Idaho (Mr. HAVEN) should be added because of the pressure he brought on the conference—but because of the influence the gentleman from Maryland (Mr. BAUMAN) and because of the gentleman's viewpoint, if we enact this conference report into law, we will be reiterating the Monroe Doctrine. I would call it the Bauman Doctrine, and I want to read to you what will be in this conference report if the President signs the bill:

... under any circumstances in which foreign combat troops or military forces (other than those of the United States as provided in the Panama Canal Treaties of 1977) are located within the Republic of Panama.

At that point the President of the United States has the power to put the Canal Zone under Defense Department administration and control.

Mr. Speaker, in effect this is a reiteration of the Monroe Doctrine. You might call it the Bauman Doctrine of 1979, that if a foreign power should introduce troops into a nation in Central or Latin America, the Panama Canal Defense Treaty permits putting the canal on a defense basis.

Mr. Speaker, it seems to me this is a clear signal to the rest of the world as to how the United States views the canal for security purposes. It would be a fine thing if this House could provide a unanimous vote as a congressional reiteration of the Monroe Doctrine at this time.

Mr. Speaker, the President has not taken this step with respect to Russian troops in Cuba, either at the time of the Cuban missile crisis under President Kennedy or today under President Carter.

We Republicans from time to time have indicted and criticized a Democratic President when we felt that President did not present a strong face to foreign nations with respect to foreign policy. What could be better than if the Congress of the United States gave us a unanimous affirming declaration that we affirm this doctrine that foreign troops should not be located in a neutral country in this hemisphere, and that if so, we are instructing our President that he has the power to take defensive action.

Mr. Speaker, it seems to me for the foregoing reason alone we should try to pass this conference report unanimously.

A second reason lies in the need at this time to demonstrate to the world that our governmental processes work; that when our President negotiates a treaty and the Senate by two-thirds majority ratifies it, we in the Congress can enact legislation to fairly implement it.

Mr. MURPHY of New York. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Michigan (Mr. BONIOR).

Mr. BONIOR of Michigan. Mr. Speaker, this hopefully will be the last vote that we have on this issue.

I think it is important to review the facts as to who some of the people are who have supported dealing with this issue, putting it aside, and getting on with the work of this House and the Congress and the foreign policy of this Nation. They include William F. Buckley, Gerald Ford, and Henry Kissinger. Robert Bauman signed this report, as did Strom Thurmond, John Warner, and John Stennis—hardly people that one can consider liberal—progressive. But certainly they recognize that we are at a point in this House and in this Nation at this time where we are risking—literally—risking—lives of American people in the Canal Zone.

I had thought that the policy of brinkmanship of John Foster Dulles had gone out the window years ago, but we have played this brinkmanship game on Panama so close that this Member is personally scared and fearful for the people we have down in Panama today, 10,000 or more.

We have a tough bill. It got tougher in subcommittee. It got tougher in the
full committee, and it was strengthened on the floor of this House. Then it was strengthened in conference. We got 80 percent of what we wanted from the Senate. We went back, and we got more in this last conference. I do not know what more we can ask for.

I would like to suggest that we consider that there are serious implications to those people we have stationed in Panama today. I would further suggest that politically we consider our votes against this conference report if it fails. How is that going to be interpreted if indeed there is violence in the Panama Canal Zone?

The gentleman from Maryland (Mr. BAUMAN) has indicated that we should not vote on threats that there will be violence, but I do not know how at this point we can take that away or subtract that from our consideration. It is real. It is very, very real.

So, Mr. Speaker, in this last minute I would ask my colleagues to try to recoup some form of grace from this whole episode. I am the committee chairman, to support the majority of the members of the conference committee who supported the bill, and to adopt the conference report this morning.

Mr. BAUMAN. Mr. Speaker, I yield 4 minutes to the gentleman from South Carolina (Mr. SPENCE).

Mr. SPENCE. Mr. Speaker, I am against the Panama Canal Treaty and any legislation that would help give the Panama Canal way.

I cannot believe what I have heard here today. As most of you Members know, I only speak on important matters. I do not get emotional too often, but I am concerned about what is happening to this country.

We hear today the same kind of talk we heard before World War I, before World War II, and before every other attempt that has been made to “feed the alligator” and appease our enemies. We have reached, in the eyes of many people in this world today, because we have given in so much that we have been pushed around by everybody, and we invite more of the same thing.

It is like the situation when you are walking down the street with your wife and you meet some person who wants her. He says, “Give her up or I’ll fight you,” and so you give her up. When do you draw the line?

Let me quote from somebody who knows about these kinds of things. Solzhenitsyn, when he was speaking of the “sickness of the West” in the free world, said this:

“The spirit of Munich prevails in the 20th Century. The timid civilized world has found nothing with which to oppose the consequences of a sudden revival of bare-faced barbarity, other than concessions and smiles ***

And tomorrow, you’ll see, it will be all right. It will be all right. The price of cowardice will only be evil: we shall reap courage and victory only when we dare to make sacrifices.

What has happened to us? What has appeasement gotten us? Where are our real leaders of the past? “Millions for defense, but not one cent for tribute,” “54-40 or fight.”

If we had the same kind of leaders today that we had in the past, we would not have Tony and John talking as he is talking about pushing us out of the canal.

Mr. MURPHY of New York. Mr. Speaker, would my colleague, the gentleman from South Carolina, yield?

Mr. SPENCE. Yes, in just 1 minute after I have finished this point, I will yield.

Mr. Speaker, we hear that this is the only way to insure our continued use of the canal. Treaties, as we ought to know from the painful lessons of history, are lived up to by those kind of people only as long as it is to their advantage to do so. The next man can only say, “I wasn’t in office when they made that treaty. I don’t agree with it, and so I can’t go along with it.”

When do we draw the line? When it comes to Alaska? Florida? California? Oregon? Manhattan?

In order to prevent a fight, will we ever draw the line?

Mr. MURPHY of New York. Mr. Speaker, I will be glad to yield to the gentleman from New York.

Mr. MURPHY of New York. Speaker, at this present time the 75th Rangers Brigade is on its way to Panama, ostensibly for maneuvers in the Inter-American School of the Armed Forces that operates there. I do not think that we have to draw a picture for the Members of this House to understand they are going down there not for a question of appeasement but for a question of enforcing America’s responsibilities if we do not act responsibly today.

Mr. SPENCE. Mr. Speaker, I will conclude only by saying that if we pass this legislation, history will prove I am right.

Mr. BAUMAN. Mr. Speaker, I yield 3 minutes to the gentleman from Arkansas (Mr. BETHUNE). Mr. BETHUNE, Mr. Speaker, the entire Panama Canal issue would not be here at all if not for the masterful job which the President and Senate did throughout the entire process. Misrepresentations were made from the outset about the cost of this project. Misrepresentations were made about the rights to defend and about the stability of the government in Panama.

I said earlier this year, and I repeat—and I truly mean it—that I think it has been 30 years since we have made in some 20 years for the President and the Senate to deliver up these treaties. That is now manifestly clear to me, after all I have heard as a Representative here in this Chamber.

I agree with the gentleman from Maryland (Mr. BAUMAN) that we need implementing legislation. I agree with the gentleman from New York (Mr. MURPHY) on that score. I think it would be the second worst mistake we have made in this country if we did not pass some implementing legislation.

I voted for the original bill on June 21 when it was considered here. My colleague, the gentleman from Arkansas (Mr. ALEXANDER), joined me. That was not a popular vote in the southern States or in Arkansas, and particularly for a liberal Democrat like myself. But I did it because I thought it was the right thing to do.

I voted against the first conference report that came back here, the so-called "splicing bill." I thought it was a compromise and I therefore was obliged to send it back to the conference committee and let them rework it.

Now, the “Son of Bauman,” as it has been referred to, is not a pretty child, but the facts is, it is there and there is no time left to do anything about it. We do not have time to produce a “Grandson of Bauman.”

Mr. ALEXANDER. Mr. Speaker, I would like to take this time to commend the gentleman from Arkansas (Mr. BETHUNE), who just spoke, and especially the gentleman from Mississippi (Mr. BOWEN), who is a member of the committee, for the courage they have demonstrated in standing up and telling the truth to the people they represent.

Several years ago I conducted a poll in my district to poll my constituents on the question of the proposed Panama Canal Treaty. Approximately 85 percent of the people of my district responded negatively. They were outraged, ready to fight the line and fight for what Americans consider to be our “rights” in the Western Hemisphere.

It would have been very easy to accommodate this political climate. But it is much more difficult to tell the people the truth about Panama to prevent a confrontation and I commend the gentlemen for the courage that they have demonstrated and the leadership that they have shown.

Mr. MURPHY of New York. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Tennessee (Mrs. BOUGUARD).

Mrs. BOUGUARD. Mr. Speaker, I doubt that any Member of this Chamber has more consistently opposed the transfer of the Panama Canal than I have. I wish it were possible to calculate the number of votes, manhours, and effort that this Congress has spent debating and maneuvering on this issue. But, we
Under the rule, further proceedings under the call are dispensed with.

Mr. BAUMAN. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. PASAYAN).

Mr. PASAYAN. Mr. Speaker, I rise in support of the conference bill. The 11th hour is now upon this body. There is no time for any more conferences or ideologies. What we do here today, or fail to do, will have terrible consequences not only on the position of the United States in Central America, a foremost consideration, but also on the nation of Panama itself. Inaction by the Congress could well have devastating effects.

I have before me a statement by the gentleman from Idaho (Mr. HANSEN) that he wishes to place in the record a lawsuit, bringing into question the legality of the treaties once again. Hereo, it has been the gentleman's stated position that this body, as an independent branch of the Government from the judicial, is within its right or power to refrain from an earlier Court decision on the treaties. Now, my colleague seeks refuge in the judicial system, and I welcome him there, for it has always been my view that the Court has spoken, and spoken finally, on the matter of the treaties. I should therefore like to remind my good friend and this House that the Court has upheld the treaties as legally binding, by stating:

That is the law as it stands today, and as it will stand on October 1, the date when the 1903 Treaty dies and these new treaties spring to life.

The important question is whether or not the United States shall maximize its presence and control in Panama in the next 20 years. If we should fail to furnish legislation, this Nation may well be put in breach of treaty in international law. If so, under what auspices are we to remain in Panama with military troops and personnel to operate the canal? Some claim that the Treaty of Neutrality will permit continued military presence. But I cannot see that the breach of a treaty by the United States is an action calculated to maintain neutrality in Panama; to the contrary, it may well invite foreign powers to supplant the American Government in the United States; it may well cause the
Mr. BAUMAN. Mr. Speaker, I yield the remainder of my time, 2 minutes, to the gentleman from Illinois (Mr. PHILIP M. CRANE).

Mr. PHILIP M. CRANE. Mr. Speaker, there is one portion of our Constitution that all of us should keep in mind as we finally wrap up this prolix debate. That portion is article IV, section 3, clause 2 of the Constitution which states that Congress shall have the power to dispose of territory and property of the United States.

I do not think there is any debate about the canal and the zone being territory and property of the United States. Moreover, in defining Congress, there is no confusion as to our role and responsibility in finally making the judgment as to whether territory and property shall be given away.

I have heard some discussion about standing behind the commitment of the United States. Well, who are the United States? These are the American people indicated in polls their overwhelming objection to alienation of the zone and the canal. And the House of Representatives, being the people's body, is a clearer reflection of the will of the America's than the upper body or the executive branch. That being the case, we have as instrumental a role in this whole business as any other, and we should have been consulted by the President and the Senate before they made any international commitments.

There is not a precedent for this. The House did participate when we alienated property in the zone by giving it to Panama in 1955.

So as we approach this final vote, I would ask my colleagues to keep in mind that we in this body, each and every one of us, are the ones who ultimately will make the decision as to whether our canal is given away. We must think long and hard on our responsibilities to the American people, particularly in light of the comments we have heard by my distinguished colleague from Idaho with respect to alien influences in the Caribbean. This is not the time that the United States should be retreating, and I would hope the conference report would be rejected.

Mr. MURPHY of New York. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Texas, the majority leader (Mr. Wurzell).

Mr. WURZELL. Mr. Speaker, every Member of this House knows that the question here is not whether we like the Panama Canal treaty. That treaty goes into effect in 5 days whatever we do today.

Most of the Members realize quite fully that enactment of this legislation is necessary in the interest of the United States.

Most of them recognize that this legislation provides our only sure guarantee of continuing a U.S. military presence in the Canal Zone.

Members are fully aware that this very bill allows our President to appoint five of the nine—a majority—on the Board which will govern and manage the canal for the remainder of this century.

Most of the Members of Congress, understanding these facts, want this bill to pass. But, some of them are afraid to vote for it for fear of reprisals from well-meaning but ill-informed citizens. In closing, Mr. Speaker, one right-wing group today has blatantly threatened to spend up to a million dollars to defeat any Member who votes for this conference committee recommendation.

And that introduces a question which goes to the very heart of the democratic process.

Almost 25 years ago the late Walter Lippman wrote a little book entitled, "The Public Philosophy." It casts a gloomy forecast for the future of parliamentary democracy throughout the world.

I first read this book I was stunned and disturbed. I denounced it as too extreme. But today its message comes back to haunt me.

Almost a quarter century ago Walter Lippman suggested that the Western democracies were in danger of what he called a paralysis of government. He characterized elected legislators as insecure and intimidated men whose declaration was, "not whether it was right, but whether it was popular—not whether it will work well and prove itself," he wrote, "but whether the active talking constituents like it immediately."

And this, he said, sets a compulsion to make mistakes in foreign policy.

"Over and above their own human propensities," he wrote, "the American democratic officials have been compelled to make the big mistakes that public opinion has insisted upon."

He called this "the malady of democratic States," and concluded that "the malady can be fatal. It can be deadly to the very survival of the State as a free society."

I hope and pray that this unhappy prognosis shall never become the epitaph of our civilization. But this week as we faced this series of critical issues, and particularly today, I see the shadow of its foreboding presence.

In the past week, as I have talked with Members on this particular issue, their answers have come back to me like a repetitious refrain. At least a score, probably 30 Members have said, "Yes, Jim, I understand that. I want that bill to pass. I know it is in the best interest of the United States, but my constituents misunderstand it, and I can't vote for it."

I hope to say as kindly and gently as I possibly can to those Members who are in this Chamber—and they know who they are—you sell America short. You sell your constituents short. If you do not believe that you, in frank and candid explanation, can show them why this is in America's interest, knowing as you do that it is—if you really do not think they possess the intelligence to understand—well then, let us face
September 26, 1979

CONGRESSIONAL RECORD—HOUSE 26335

it: You do not really believe in the fundamental premise of a representative democracy. I do believe in it, still. I think our action today will be a reaffirmation that it still possesses the vitality to do right, whether popular or not. I believe we will demonstrate that its members still possess the force of character not to cringe in fear when they know that hostility is mistaken and based upon misinformation, but rather to use their honest judgment and to follow their best informed opinion and to do what is right. I believe we will do that today.

Mr. ANDERSON of California. Mr. Speaker, as many of our colleagues know, I have consistently opposed the Panama Canal treaties. I think they are a mistake. I thought it was a mistake when President Nixon proposed the idea, when President Ford proposed the idea, and when President Carter proposed the idea. And so this afternoon I voted against the treaties, and I have voted against measures related to them.

It is the Senate that is constitutionally charged with providing the advice and consent of the people of the United States. But, in 1978, I said in the Congressional Record that—

The yielding of any property paid for from appropriated funds, such as the Panama Canal, must be approved by the House as well as the Senate.

If only the House would have had this opportunity.

But the House of Representatives did not have the opportunity. We have, however, had before us for consideration H.R. 111, the Panama Canal Act of 1979. This has been frequently, but perhaps incorrectly, referred to as the legislation which "implements" the canal treaties. What this bill actually does, given the undisputable, irrevocable fact that the treaties take effect on October 1, is assure the continued U.S. involvement in the effective administration of the canal.

Last week, I voted against the conference report on H.R. 111, and the conference report was defeated. It is back before us today, however, with several revisions.

Language has been added allowing the President to place the canal under military control if foreign combat troops are placed in the Republic of Panama. The new report strengthens language precluding the President from accepting any interpretation of the treaties which would permit Panama to impose retroactive taxes on U.S. businesses in Panama. The conference report being voted on today is the conference report on H.R. 111, I will not be among them. Although improvements have been made in the conference report, it is clearly true that many of us are still dissatisfied with the entire situation.

Frankly, I now expect the conference report to pass. Discussion of the Panama Canal controversy will, gradually, slip away. We cannot allow it to be said, though, that in the final analysis, all the American people and their Representatives supported the treaty. We do not. We think they are bad. And we regret this day.

Mr. MURPHY of New York. Mr. Speaker, I yield 5 minutes to the distinguished Speaker of the House, the gentleman from Massachusetts (Mr. O'NEILL).

Mr. O'NEILL, Mr. Speaker, this issue has been debated so many times, not only on the floor of this House, but also for weeks and months in the United States Senate. I am well aware of the strong emotional sentiments attached to the issue of Panama Canal. I recognize that there are members who have had serious reservations, and those who have expressed outright opposition. Yes, and there are those who have spoken with open sincerity. These are genuine concerns and anxieties, and I understand them.

A half dozen years ago, Dan Rozen­kowitz and I were playing in the Can­cer Charity Golf Fund with a fellow by the name of Chi Chi Rodriguez, a little fellow from the Caribbean. After we finished playing golf, we all sat down to talk, and I was amazed at Chi Chi's knowledge of foreign affairs. Many Mem­bers can recall that a half dozen years ago, we had a bipartisan foreign affairs policy, where the Congress supported the State Department and the administra­tion, Democratic or Republican.

You know, Chi Chi said:

Eisenhower has been for the return of the Panama Canal; Kennedy and Johnson have been for the return of the Panama Canal; Jerry Ford has been for the return of the Panama Canal. When are you people ever gool-g to do anything about it?

You know, the interesting factor was that Chi Chi was a golf professional from the Caribbean, and I would have to say that, speaking for myself, and probably Dan felt the same way, the furthest thing from our minds was the Panama Canal.

Chi Chi said:

You think you have problems with Cuba along the line. This is the spot that is eating at the core of the apple. Don't you realize that this is American imperialism? Don't you appreciate the shabby and shady man­ner in which you acquired the Panama Canal?

You know, I did not, to be perfectly truthful. I had never given any thought about how disruptions in the use of the canal, or outright operational shutdowns would endanger our national security. 

Mr. ANDERSON of California. Mr. Speaker, as many of our colleagues know, I have consistently opposed the Panama Canal treaties. I think they are a mistake. I thought it was a mistake when President Nixon proposed the idea, when President Ford proposed the idea, and when President Carter proposed the idea. And so this afternoon I voted against the treaties, and I have voted against measures related to them.

It is the Senate that is constitutionally charged with providing the advice and consent of the people of the United States. But, in 1978, I said in the Congressional Record that—

The yielding of any property paid for from appropriated funds, such as the Panama Canal, must be approved by the House as well as the Senate.

If only the House would have had this opportunity.

But the House of Representatives did not have the opportunity. We have, however, had before us for consideration H.R. 111, the Panama Canal Act of 1979. This has been frequently, but perhaps incorrectly, referred to as the legislation which "implements" the canal treaties. What this bill actually does, given the undisputable, irrevocable fact that the treaties take effect on October 1, is assure the continued U.S. involvement in the effective administration of the canal.

Last week, I voted against the conference report on H.R. 111, and the conference report was defeated. It is back before us today, however, with several revisions.

Language has been added allowing the President to place the canal under military control if foreign combat troops are placed in the Republic of Panama. The new report strengthens language precluding the President from accepting any interpretation of the treaties which would permit Panama to impose retroactive taxes on U.S. businesses in Panama. The conference report being voted on today is the conference report on H.R. 111, I will not be among them. Although improvements have been made in the conference report, it is clearly true that many of us are still dissatisfied with the entire situation.

Frankly, I now expect the conference report to pass. Discussion of the Panama Canal controversy will, gradually, slip away. We cannot allow it to be said, though, that in the final analysis, all the American people and their Representatives supported the treaty. We do not. We think they are bad. And we regret this day.

Mr. MURPHY of New York. Mr. Speaker, I yield 5 minutes to the distinguished Speaker of the House, the gentleman from Massachusetts (Mr. O'NEILL).

Mr. O'NEILL, Mr. Speaker, this issue has been debated so many times, not only on the floor of this House, but also for weeks and months in the United States Senate. I am well aware of the strong emotional sentiments attached to the issue of Panama Canal. I recognize that there are members who have had serious reservations, and those who have expressed outright opposition. Yes, and there are those who have spoken with open sincerity. These are genuine concerns and anxieties, and I understand them.

A half dozen years ago, Dan Rozen­kowitz and I were playing in the Can­cer Charity Golf Fund with a fellow by the name of Chi Chi Rodriguez, a little fellow from the Caribbean. After we finished playing golf, we all sat down to talk, and I was amazed at Chi Chi's knowledge of foreign affairs. Many Mem­bers can recall that a half dozen years ago, we had a bipartisan foreign affairs policy, where the Congress supported the State Department and the administra­tion, Democratic or Republican.

You know, Chi Chi said:

Eisenhower has been for the return of the Panama Canal; Kennedy and Johnson have been for the return of the Panama Canal; Jerry Ford has been for the return of the Panama Canal. When are you people ever gool-g to do anything about it?

You know, the interesting factor was that Chi Chi was a golf professional from the Caribbean, and I would have to say that, speaking for myself, and probably Dan felt the same way, the furthest thing from our minds was the Panama Canal.

Chi Chi said:

You think you have problems with Cuba along the line. This is the spot that is eating at the core of the apple. Don't you realize that this is American imperialism? Don't you appreciate the shabby and shady man­ner in which you acquired the Panama Canal?

You know, I did not, to be perfectly truthful. I had never given any thought about how disruptions in the use of the canal, or outright operational shutdowns would endanger our national security.
vices, and there were—aves 232, noes 188, not voting 14, as follows:

[Roll No. 509]

LYES—232

Aandobo
Aakaa
Albosta
Altoboe
Ambro
Anderson, Ill.
Andrews, N.C.
Arnold, Mich.
Aspin
Aub戒n
Altman
Ales
Alves
Atkins
Akins
Bardham
Bafalso
Mairey
Barnard
Bauman
Beard, R.I.
Bennett
Brown
[CONGRESSIONAL RECORD—HOUSE
September 26, 1979

vice, and there were—aves 232, noes 188, not voting 14, as follows:

[Roll No. 509]

Aandobo
Aakaa
Albosta
Altoboe
Ambro
Anderson, Ill.
Andrews, N.C.
Arnold, Mich.
Aspin
Aub戒n
Altman
Ales
Alves
Atkins
Akins
Bardham
Bafalso
Mairey
Barnard
Bauman
Beard, R.I.
Bennett
Brown

VICE, and there were—are 232, noes 188, not voting 14, as follows:

[ROLL NO. 509]

LYES—232

Aadabb0
Aakka
Albosta
Altoboe
Ambro
Anderson, Ill.
Andrews, N.C.
Arnold, Mich.
Aspin
Aubige
Altman
Ales
Alves
Atkins
Akins
Bardham
Bafalso
Mairey
Barnard
Bauman
Beard, R.I.
Bennett
Brown

vice, and there were—are 232, noes 188, not voting 14, as follows:

[ROLL NO. 509]

LYES—232

Aadabb0
Aakka
Albosta
Altoboe
Ambro
Anderson, Ill.
Andrews, N.C.
Arnold, Mich.
Aspin
Aubige
Altman
Ales
Alves
Atkins
Akins
Bardham
Bafalso
Mairey
Barnard
Bauman
Beard, R.I.
Bennett
Brown

vice, and there were—are 232, noes 188, not voting 14, as follows:

[ROLL NO. 509]

LYES—232

Aadabb0
Aakka
Albosta
Altoboe
Ambro
Anderson, Ill.
Andrews, N.C.
Arnold, Mich.
Aspin
Aubige
Altman
Ales
Alves
Atkins
Akins
Bardham
Bafalso
Mairey
Barnard
Bauman
Beard, R.I.
Bennett
Brown

vice, and there were—are 232, noes 188, not voting 14, as follows:

[ROLL NO. 509]

LYES—232

Aadabb0
Aakka
Albosta
Altoboe
Ambro
Anderson, Ill.
Andrews, N.C.
Arnold, Mich.
Aspin
Aubige
Altman
Ales
Alves
Atkins
Akins
Bardham
Bafalso
Mairey
Barnard
Bauman
Beard, R.I.
Bennett
Brown

vice, and there were—are 232, noes 188, not voting 14, as follows:

[ROLL NO. 509]

LYES—232

Aadabb0
Aakka
Albosta
Altoboe
Ambro
Anderson, Ill.
Andrews, N.C.
Arnold, Mich.
Aspin
Aubige
Altman
Ales
Alves
Atkins
Akins
Bardham
Bafalso
Mairey
Barnard
Bauman
Beard, R.I.
Bennett
Brown

vice, and there were—are 232, noes 188, not voting 14, as follows:

[ROLL NO. 509]

LYES—232

Aadabb0
Aakka
Albosta
Altoboe
Ambro
Anderson, Ill.
Andrews, N.C.
Arnold, Mich.
Aspin
Aubige
Altman
Ales
Alves
Atkins
Akins
Bardham
Bafalso
Mairey
Barnard
Bauman
Beard, R.I.
Bennett
Brown

vice, and there were—are 232, noes 188, not voting 14, as follows:

[ROLL NO. 509]

LYES—232

Aadabb0
Aakka
Albosta
Altoboe
Ambro
Anderson, Ill.
Andrews, N.C.
Arnold, Mich.
Aspin
Aubige
Altman
Ales
Alves
Atkins
Akins
Bardham
Bafalso
Mairey
Barnard
Bauman
Beard, R.I.
Bennett
Brown

vice, and there were—are 232, noes 188, not voting 14, as follows:

[ROLL NO. 509]

LYES—232

Aadabb0
Aakka
Albosta
Altoboe
Ambro
Anderson, Ill.
Andrews, N.C.
Arnold, Mich.
Aspin
Aubige
Altman
Ales
Alves
Atkins
Akins
Bardham
Bafalso
Mairey
Barnard
Bauman
Beard, R.I.
Bennett
Brown

vice, and there were—are 232, noes 188, not voting 14, as follows:

[ROLL NO. 509]

LYES—232

Aadabb0
Aakka
Albosta
Altoboe
Ambro
Anderson, Ill.
Andrews, N.C.
Arnold, Mich.
Aspin
Aubige
Altman
Ales
Alves
Atkins
Akins
Bardham
Bafalso
Mairey
Barnard
Bauman
Beard, R.I.
Bennett
Brown

vice, and there were—are 232, noes 188, not voting 14, as follows:

[ROLL NO. 509]

LYES—232

Aadabb0
Aakka
Albosta
Altoboe
Ambro
Anderson, Ill.
Andrews, N.C.
Arnold, Mich.
Aspin
Aubige
Altman
Ales
Alves
Atkins
Akins
Bardham
Bafalso
Mairey
Barnard
Bauman
Beard, R.I.
Bennett
Brown

vice, and there were—are 232, noes 188, not voting 14, as follows:

[ROLL NO. 509]

LYES—232

Aadabb0
Aakka
Albosta
Altoboe
Ambro
Anderson, Ill.
Andrews, N.C.
Arnold, Mich.
Aspin
Aubige
Altman
Ales
Alves
Atkins
Akins
Bardham
Bafalso
Mairey
Barnard
Bauman
Beard, R.I.
Bennett
Brown

vice, and there were—are 232, noes 188, not voting 14, as follows:

[ROLL NO. 509]

LYES—232

Aadabb0
Aakka
Albosta
Altoboe
Ambro
Anderson, Ill.
Andrews, N.C.
Arnold, Mich.
Aspin
Aubige
Altman
Ales
Alves
Atkins
Akins
Bardham
Bafalso
Mairey
Barnard
Bauman
Beard, R.I.
Bennett
Brown

October 1, 1979" in the first sentence and inserting in lieu thereof "November 1, 1979";
(b) Section 217 of such Act is amended by striking out "September 30, 1979" and inserting in lieu thereof "October 31, 1979";
(c) Section 221(f) of such Act is amended by striking out "September 30, 1979" in the first sentence and inserting in lieu thereof "October 31, 1979";
(d) Section 235(m) of such Act is amended by striking out "September 30, 1979" and inserting in lieu thereof "October 31, 1979";
(e) Section 256(n) of such Act is amended by striking out "September 30, 1979" and inserting in lieu thereof "October 31, 1979";
(f) Section 244(d) of such Act is amended by striking out "September 30, 1979" in the first sentence and inserting in lieu thereof "November 1, 1979";
(g) Section 245 of such Act is amended by striking out "September 30, 1979" where it appears and inserting in lieu thereof "October 31, 1979";
(h) Section 809(f) of such Act is amended by striking out "September 30, 1979" in the second sentence and inserting in lieu thereof "October 31, 1979";
(i) Section 810(k) of such Act is amended by striking out "September 30, 1979" in the second sentence and inserting in lieu thereof "October 31, 1979";
(j) Section 1002(a) of such Act is amended by striking out "September 30, 1979" in the second sentence and inserting in lieu thereof "November 1, 1979";
(k) Section 1101(a) of such Act is amended by striking out "September 30, 1979" in the second sentence and inserting in lieu thereof "November 1, 1979".

EXTENSION OF FLEXIBLE INTEREST RATE AUTHORITY
Sec. 2. Section 3(a) of the Act entitled "An Act to amend chapter 37 of title 38 of the United States Code with respect to the veterans' home loan program, to amend the National Housing Act with respect to interest rates on insured mortgages, and for other purposes", approved May 7, 1968, as amended (12 U.S.C. 1709-1), is amended by striking out "October 1, 1979" and inserting in lieu thereof "November 1, 1979".

EXTENSION OF EMERGENCY HOME PURCHASE ASSISTANCE ACT
Sec. 3. Section 3(b) of the Emergency Home Purchase Assistance Act of 1974 is amended by striking out "October 1, 1979" and inserting in lieu thereof "November 1, 1979".

REHABILITATION LOANS
Sec. 4. Section 312(b) of the Housing Act of 1964 is amended—
(1) by striking out "September 30, 1979" and inserting in lieu thereof "October 31, 1979";
(2) by striking out "October 1, 1979" and inserting in lieu thereof "November 1, 1979".

EXTENSION OF FEDERAL HOUSING ADMINISTRATION INSURANCE AUTHORITY

SECTION 1. (a) Section 2(a) of the National Housing Act is amended by striking out "October 31, 1979" where it appears in paragraph (f) and inserting in lieu thereof "November 1, 1979";
(b) by striking out "September 30, 1979" where it appears in such paragraph (f) and inserting in lieu thereof "October 31, 1979".

The Senate joint resolution was ordered to the House, third time it was read, the third time, and passed, and a motion to reconsider was laid on the table.

TEMPORARY PUBLIC DEBT LIMIT
Mr. LONG of Louisiana. Mr. Speaker, by direction of the Rules Committee, I call up House Resolution 425 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 425
Resolved, That upon the adoption of this resolution it shall be in order to move, pursuant to rule XXI, to a two-thirds vote for its immediate consideration.
without intervening motion except one motion to recommit.

The SPEAKER pro tempore. The gentleman from Louisiana (Mr. Long) is recognized for 1 hour.

Mr. Long of Louisiana. Mr. Speaker, for purposes of debate only, I yield the customary 1 hour to the gentleman from Ohio (Mr. Latta), pending which I yield myself such time as I may consume.

Mr. Speaker, the subject matter of this resolution is popular with no one. Whether one is inclined to vote in favor of this legislation or against it, no one truly enjoys the debate which ensues.

Yet here we are again, facing an expiring temporary public debt ceiling.

The Congress of the United States has a legal obligation to provide for the extension of the national debt ceiling without allowing it to lapse. As the distinguished chairman of the Committee on Ways and Means reminded us last week during the floor debate on this issue, we cannot shirk our duty by allowing the ceiling to lapse. We have to live up to our commitments. I believe we have no choice but to vote for a bill that will permit us to meet our obligations legally incurred. I hope that a majority of my colleagues will agree so that we can put this issue to rest and move on to other pressing business of the Nation.

The rule provided by House Resolution 425 is eminently fair. It provides an opportunity for every faction to work its will in the democratic process we follow in this body. The Rules Committee was in agreement on this rule, and I hope the House will approve the resolution making in order H.R. 8369, which provides for a temporary increase in the public debt limit, and makes possible the establishment of the public debt limit in the future as a part of the congressional budget process.

The rule provides 1 hour of general debate equally divided between the chairman and ranking minority member of the Committee on Ways and Means. The first reading of the bill shall be dispensed with, and the bill shall be considered as read for amendment under the 5-minute rule.

This rule provides for a modified open rule making in order only certain amendments. The selection of amendments give Members of this body ample opportunity to express their variations of opinion and to vote accordingly. Pro forma amendments for the purpose of debate will be permitted with regard to the bill and all specified amendments.

Amendments offered by direction of the Committee on Ways and Means or the Committee on Rules are in order but not amendable. In addition, amendments which change the amount of the figure submitted for the temporary public debt limit or the date establishing the duration of the temporary ceiling are in order. These amendments in turn shall be considered as an amendment to the germane amendments affecting the limit and the date.

The committee bill provides for a temporary public debt limit of $479 billion from the date of enactment through May 31, 1980. This is a lesser extension and a lesser amount than the House adopted last week in passing the Fisher amendment. Nonetheless, germane amendments to the dollar figure and the time period are in order.

Every one of us knows that the committee bill also provides for a new procedure developed by the gentleman from Missouri (Mr. Gephardt) whereby the debt ceiling in the future may be established through the congressional budget process. Various versions of this procedure have been under discussion for a long time.

Through persistence, lengthy consultation, brainstorming, and creative imagination, the gentleman has refined a procedure that I hope we all can embrace.

It provides a much more forthright and orderly manner of accounting to the public for our national spending policy—through the congressional budget process. The committee bill provides Members of the Ways and Means Committee and the Committee on the Budget have worked closely and diligently in developing this new procedure. The fast year and the new rules and organization of the House held hearings on the matter, and it has been discussed in full committee as well. I am well pleased with the refinement and the ripeness of the Gephardt substitute including the new procedure, in the Committee of the Whole last week.

So as to be completely fair, however, the rule provides that a motion to strike title II of this bill, which is the title amending the rules with the new procedure, is specifically made in order. The motion to strike is not amendable. In addition, the rule specifies that a minor amendment, recited in the rule, may be offered and is not amendable. This amendment would cure some details in the Gephardt procedure concerning engrossment and enrollment. The rule also makes in order one motion to recommit.

In order to move for action on the legislation made in order by this rule, which extends authority expiring October 1, the rule includes a waiver of clause 2(6) of rule 11, the 3-day layover requirement. As is traditional with debt ceilings, which amend the Second Liberty Bond Act, the rule provides a waiver of clause 5 of rule 21, prohibiting appropriations in an authorization bill.

Members are all too familiar with the arguments surrounding the legislation made in order by this rule. There is always a lot of talk about saving money for the taxpayers and holding interest rates down. But I would remind my colleagues that it actually costs millions of dollars when this vital legislation is permitted to lapse. The last time this happened it cost the Government $15 million or more.

Let us therefore unite in favor of this well balanced resolution and get on with the Nation's vital business.

Mr. Long of Louisiana. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Resolution 425, the resolution under consideration.

The SPEAKER pro tempore (Mr. Ford of Michigan). Is there objection to the request of the gentleman from Louisiana?

There was no objection.

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

Mr. Speaker, the question before us today far transcends the issue of a temporary increase in the national debt. We are once again being asked to bail out the Government for not living within its means. In my opinion this is an issue of national solvency as much as one of fiscal policy.

At one time the national debt was something to be embarrassed about. It was a realistic accounting of debts incurred by the Government for a major crisis, like World War I. Thereafter it was something that needed to be paid off and most lawmakers had every intention of retiring the debt. Even the first years of the Great Depression were not a time to destroy this basic respect for the size of the national debt. Many felt that the deficits run up by Roosevelt were a necessary evil to get the economy back on track. As a result of the Great Depression, the national debt had to burst. The phenomenon of stagflation that has settled on the seventies is a direct result of this Congress letting the bubble get out of hand. Today the national debt dries up our Nation's capital markets. Without capital there is no pool of investment to expand the economy. What expansion exists comes from inflation. As a result of the inflation cycle is a decline in the supply of available fuels and other raw materials. Unless the law of supply and demand has been repealed, it is inevitable that the prices of the remaining goods will rise as supplies decline. One way to combat this type of inflation is to develop new sources of supply or alternatives that may a more permanent fix. Even at this point the national debt and the size of Government come into the formula. With an ailing capital market there is less money for investment and growing Government revenue, there is less...
redtape to provide incentives for what capital investment there is left. It is a cycle that is grinding America into the ground. It is a phenomenon that is delin- 
erging the United States into the hands of foreign energy producers and the American taxpayer deserves better treatment than that our hands are tied? The American sitting here to be accountable to the vot­
ergy, need more consideration than example as by its votes. The decline of countability in these actions? Are we not initially allowed the bureaucracy to get out of hand by delegating first adminis­
tative detail and then tough decisions to it. Now we have allowed budgeting to drift into the Federal triangle. In- 
spectors General reports and GAO re­ports go unheeded by the bureaucrats. Administrative savings are ignored. Waste and fraud are at epidemic propor­tions. Bizarre examples of perfectly good furniture and office machines being thrown out to make way for new pur­chases are surfacing. Other examples of agencies overspending their budgets in the fourth quarter in order to preserve the limit. The disavowal of these representations of the temporary debt limit are reported by the national media. In all cases the root is that there is no ac­countability. There is no incentive for savings or for competence. No matter how many reorganizations or civil serv­ice reforms are passed the fact remains that until the well runs dry there will always be a ready source of money to gloss over the failures of government and to, in fact, reward them.

This is a total perversion of what built America. At one time we fought a major revolution over the issue of taxation without representation. Today we have taxation without accountability. This is worse than no representation, because the veneer of democracy is maintained. I urge my colleagues to stop this horrible turn of events and keep account­ability in Congress and to vote to finally bring to an end this charade known as the temporary debt limit.

Mr. ASHBROOK. Mr. Speaker, will the gentleman yield to me?

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

Mr. ASHBROOK. Mr. Speaker, I thank my colleague, the gentleman from Ohio (Mr. LATTA). for his statement and for alerting the Members of this body to the fact that there is far more in front of us today in this legislative proposal than just a simple increase in the national debt.

Mr. Speaker, once again the Rules Committee has reported a rule providing for the consideration of a bill to increase the public debt. The rule is labeled "mod­ern," but in truth it is a good deal more closed than open. And once again, the bill includes not only an increase in the public debt limit, but a new procedure permitting a debt limit bill to be reported title II of the bill which establishes a new House rule. All the Committees of original jurisdiction has not held a markup. The argument has been made that a Rules subcommittee held hearings in the last Congress on proposals to set the debt limit as part of the budget resolution. But several of the witnesses in those hearings concluded that the procedure set forth at that time was constitu­tional. Now we have this new proposal which the proponents claim is sufficiently different to get around the constitutional problems. But, what knows? No hearings in the Rules Committee have yet been held on this new proposal.

And Mr. Speaker, the House is not go­ing to have a chance to consider amend­ments to this proposal, known as the Gephardt proposal, because this rule does not allow floor amendments, except one correcting amendment specified in the rule. The fact that the need for one correcting amendment has been discov­ered in just the few days since this bill was introduced, leads me to wonder what other correcting amendments need to be made, but will not be discovered until too late to make the change.

In addition to the problems I have mentioned, Mr. Speaker, there is one other reason why we should not abol­ish separate consideration of the debt limit. In the consideration of the debt limit bills, our attention is focused solely on the amount of debt this country has accumulated. We need to look from time to time. In budget resolutions, the debt limit figure tends to disappear in a morass of other figures. At least every once in a while we should stop and real­ize what we are doing to this country, by burdening it with an ever escalating na­tional debt. Better to face the truth than to ignore the problem and hope that it will go away. We cannot escape the truth about this debt by hiding it in the budget resolution. During the consideration of the bill you will have an opportunity to strike this proposed new procedure and I strongly urge you to vote to strike.

Mr. LATTA. Mr. Speaker, I have no further requests for time, and I reserve the balance of my time.

Mr. LONG of Louisiana. Mr. Speaker, I move the previous question on the res­olution.

The previous question was ordered.

The resolution was agreed to.
A motion to reconsider was laid on the table.
Mr. ULLMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5369) to provide for a temporary increase in the public debt limit, and to amend the Rules of the Committee of the Whole House on the table.

Mr. Speaker pro tempore. The question is on the motion offered by the gentleman from Oregon (Mr. ULLMAN).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 5369, with Mr. McNulty in the chair.

The Clerk read the title of the bill.

Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Oregon (Mr. ULLMAN) will be recognized for 30 minutes. Pursuant to the rule, the gentleman from New York (Mr. CONABLY) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Oregon (Mr. ULLMAN).

Mr. ULLMAN. Mr. Chairman, I yield myself 6 minutes.

Mr. Chairman, we debated this bill in committee last week at some length. I am not going to repeat today to the essentials of the bill that we are bringing back and the urgency of getting this matter satisfactorily behind us on this vote today.

The bill before us extends the debt ceiling at those levels under which the Government can operate without serious restrictions to May 31, 1980. We extend the debt ceiling at levels that require an additional $49 billion of debt authority.

PUBLIC DEBT LIMIT

At present, the limit on the amount of public debt is $383 billion, and temporary authority to issue $430 billion of this total is available through September 30, 1979. After that date, the temporary authority will expire, and only the permanent authority to issue $460 billion in debt will continue to be available.

In this bill, the Committee on Ways and Means has reported an increase in the debt limit to $679 billion through May 31, 1980. The increase of $49 billion will be sufficient authority to meet borrowing requirements through May 1980, assuming realization of administrative and budget deficits of $29.4 billion in fiscal year 1980 on a trend-line toward virtually a balanced budget in fiscal year 1981—a deficit of only $1 billion.

The debt limit situation is critical right now. It is imperative that the House pass this increase in the debt limit today and enable the Senate to pass the bill by the end of the week.

We must act promptly, if we want to minimize the disruptions, which have already begun, to orderly debt management and to avoid jeopardizing the Federal Government's ability to meet its financial obligations. The Treasury Department will be required to make extraordinary financing adjustments of $33.5 billion of 2-year notes and $2.5 billion of 4-year notes which were scheduled for Tuesday and Wednesday of this week. The Treasury observed because the maturing notes come due on Sunday, September 30, and the refinanced notes could not be delivered, and dated, until October 1, 1979. The Treasury Department cannot promise to deliver those notes on Monday until it knows that it has the legal authority to do so. The delay also tends to upset the Government securities market, as investors have to determine whether to wait until the notes become available or to seek alternative forms of interest-bearing securities.

A more serious result from failure to extend this bill will take place the next week, that is, when the Treasury will not have the funds with which to pay the bills. The Treasury last week estimated that it would need to pay those bills Wednesday, October 3, and probably through Thursday, October 4. After that day, it may have to default on payments of the Government's debts. The accuracy of this projection is not important. It does not matter whether the Treasury will run out of money 2 days earlier or 2 days later. The mere prospect of default because we fail to make timely adjustments in the debt limit is terrible enough.

INCREASE IN LIMIT ON LONG-TERM BOND AUTHORITY

The committee bill increases the authority of the Treasury Department to issue long-term bonds. Since 1970, Congress has allowed the Treasury Department to issue bonds which carry interest rates above the statutory ceiling of 41/2 percent. This ceiling applies to U.S. debt with maturities longer than 10 years which are held by the public.

At the present time, the exception provides authority for $40 billion of these bonds to be outstanding. The Treasury Department has asked the committee to increase that $40 billion in authority to avoid having to make adjustments in its financing program for fiscal year 1980.

In the past when the committee has accommodated administration requests for an additional to this exception, the addition has been just enough to meet requirements in the immediate future. The committee has been wary of granting too much authority for long-term bond issues when prudent policy calls for the Government to minimize its participation in the long-term bond market. At the present time, however, the Treasury Department believes that the appropriate debt management policy for the Federal Government is to issue additional long-term debt because it is substantially less costly to the Government, and permits the use of more efficient debt management techniques than short-term debt.

The committee has provided an increase of $10 billion, to a total of $50 billion, which is enough additional authority to meet the administration's plans through May 1980.

SETTING DEBT LIMIT IN BUDGET RESOLUTION

Title II of the bill is the Gephardt amendment to the House rules, and the Second Liberty Bond Act. The amendment will permit the House to set approval of a budget resolution also as approval of the public debt limit. Each budget resolution specifies the appropriate public debt limit for the fiscal year. The debt limit is determined in conjunction with the decisions which set the levels of budget outlays, receipts, credit policy, and other financial adjustments. These are the basic budget decisions, and the change in public debt limit needed for any fiscal year cannot be determined responsibly before the budget decisions have been made. Making the budget resolution the vehicle for setting the debt limit clearly is the most appropriate procedure which the House can follow. The Ways and Means Committee retains the jurisdiction to originate a bill under present procedures, which it will exercise at the appropriate time.

The Gephardt amendment establishes a procedure that is consistent with our budgeting procedure that is responsible, very carefully worked out, and, I think, will greatly improve both the way in which we handle this and the image of the House as we exercise our responsibility to both budgeting and to the debt ceiling problem.

The House approved this procedure by a voice vote last week, and I urge the Members to repeat that display of good judgment.

As I said before, the decisions that have gone into this requirement for a debt ceiling increase have been made in the past. We are at the point now where we must meet the obligations of those past decisions. The budgeting process is the first way to handle on the long-term spending problem of the country.

I think it is very significant that the President, in making his recommendations for a debt ceiling extension, believes that we will be very close to a balanced budget in fiscal year 1981. Fiscal responsibility is a concern that I think is shared by the Members of this body. We deal with that in our budget procedure and in our spending bills. The debt ceiling matter is only a matter of accommodating those decisions that have already been made so that the Government can stay in operation.

Mr. Chairman, there will be one amendment offered by the gentleman from Missouri (Mr. GEPHARDT), a minor technical clarification in the so-called Gephardt amendment.

There is in order under the rule a motion to strike title II, which may or may not be made. I will strongly oppose that. It will permit the House, or amend¬ ment is very important, and then on vote on final passage I urge the Members to support the amendment.

Mr. Latta. Mr. Chairman, will the gentleman yield?
Mr. ULLMAN. I yield to the gentleman from Ohio.

Mr. LATTA. I thank the gentleman for yielding.

Mr. Chairman, I want to ask the gentleman a question about the matter of off-budget items. The gentleman served on the Budget Committee as its chairman for quite a period of time and he is familiar with that budget process. I just want to bring his attention to the fact that we do not consider off-budget items in the budget process, but in the gentleman's debt ceiling bill he does consider those matters. How does the gentleman reconcile that? You have about $16 billion in off-budget matters that are not now considered by the Budget Committee that the gentleman must be concerned with as he joins the two together. How does the gentleman propose to handle this problem?

Mr. ULLMAN. Mr. Chairman, let me say to the gentleman that as we move forward in our experience with the budget, it is my hope that we will be able to expand the budget authority to include those off-budget items. The gentleman is no more concerned than I am about this matter. We look at it very carefully each time we handle the debt ceiling. We will do that in making our recommendation to the Budget Committee under the procedures established by the Gephardt amendment. That will be included, and that will be a part of the procedure that we are establishing.

Mr. CONABLE. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, here we are again to consider the legislation increasing the public debt limit.

The new debt limit is $879 billion versus $929 billion in the bill which the House rejected last week. The $50 billion reflects the same spending rate as the earlier legislation. On a proportional basis, the debt is identical to what the Treasury Department projected its debt would reach by March 15 to the Budget Committee. In any other context, such manipulation would be compared to a carnival shell game. But for some curious reason, when it occurs as part of the debt legislation it becomes the excuse for changing a critical number of votes. I think the positive feature of this bill, as it was when it came up before, is not in the amount of debt authorised but the inclusion of the initiative of the gentleman from Missouri (Mr. GEPHARDT) to consolidate the debt ceiling and budget process. I believe this consolidation is a wise way to handle it. It is a common-sense change in our method of adjusting the debt ceiling.

Mr. Chairman, I urge support of title II, which effectuates this consolidation.

I urge opposition to the debt ceiling itself.

Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, I would again take the floor to urge support of the Gephardt amendment. It seems to me it is a rational way to get out of a bad situation. Under our current procedures we take repeated votes for the extension or expansion of the debt limit, most of which turn out to be meaningless because the House is always turned down. Eventually, because we know we have to pay the bills, we do pass the extension of the debt limit.

It seems to me that there is no good reason to separate the debt limit from the budget whose deficit caused the need to increase that debt limit. Therefore, the Gephardt amendment seems to be an ingenious way to link the two. It would also provide a solution to the shelter we give some of our Members to avoid their responsibilities when they vote for a budget resolution and against the debt increase that is necessary to finance it.

So I would urge the defeat of the amendment which seeks to strike the Gephardt amendment from the bill.

Another good feature of this particular expansion is that there is an increase granted in the long-term debt of the Treasury. There is always a problem of balancing the long-term with the short-term debt to get the lowest possible cost for the taxpayers. I think the committee has done a good job in responding to requests by the Treasury to increase the long-term debt.

With respect to whether we should vote for the bill or not, there is still a great reluctance on our side of the aisle.

Mr. ULLMAN. That seemed like an odd way to get here.

Mr. GEPHARDT. That is correct.

Mr. ULLMAN. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri (Mr. GEPHARDT).

Mr. GEPHARDT. Mr. Chairman, I rise again to try to explain and to urge support for this debt ceiling bill, which includes this new mechanism for including the debt ceiling into the budget process.

□ 1300

I would start by trying to answer the question raised by the gentleman from Ohio (Mr. LATTA), when he made the point that we have an off-budget question with regard to the debt ceiling number that is in the budget resolution.

I would tell him that the way we now operate is that the Ways and Means Committee sends a debt ceiling number by March 15 to the Budget Committee. That debt ceiling number includes off-budget spending as well as trust fund borrowing, as well as the projection for the direct outlay spending that is projected in that budget resolution. That process would continue as it does now. In the budget process, therefore, room is made in the debt ceiling number for trust fund borrowing and for off-budget spending.

So that the number that comes out of the budget process should appropriately reflect those as well as the direct spending that is contemplated in that budget resolution.

Now, obviously, if there are mistakes made, as now, if we make a mistake in estimating when we pass a public debt ceiling, there is always the opportunity for the Ways and Means Committee to come forward and to propound legislation as we do now on the public debt ceiling.

Indeed, I believe that the projections for off-budget spending for trust fund borrowing as well as for direct spending in the budget process will be adequately and appropriately reflected in the figures that would be in the budget resolution and therefore the joint resolution that goes to the Senate for consideration.

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

Mr. GEPHARDT. I yield to the gentleman from Ohio.

Mr. LATTA. I thank the gentleman for yielding.

Even though we disagree on the amendment, let me commend the gentleman for all the hard work he has put in on it.

Let me just indicate what the gentleman said earlier, that the House Committee on Ways and Means, which has jurisdiction over these off-budget items, and so forth, will submit a number to the Budget Committee which does not have jurisdiction over off-budget items, then it becomes the responsibility of the Budget Committee to insert those figures, even though they do not have jurisdiction over it in its budget resolution, which it will report to the House. Is that not what the gentleman is saying?

Mr. GEPHARDT. That is correct.

Mr. LATTA. That seemed like an odd way to get here.

Mr. GEPHARDT. Obviously this is not a usual, orderly process.

Mr. LATTA. I agree with the gentleman.

Mr. GEPHARDT. It is one I submit to the gentleman. We disagree. I understand that. It is designed in my mind to make the process more orderly and more truthful. I realize the gentleman disagrees on that, but that indeed is how the mechanics would work.

Let me also make the Members aware that when we go into the 5-minute rule and the amendment process, I intend to present a technical amendment, a matter which was brought up by the Parliamentarian in the other body, which had to do with the exact language that was in my amendment. In the original amendment, I said when the number finishes the budget process on the public debt ceiling, that number should be taken by the Clerk of the House and put into a joint resolution and engrossed and enrolled and sent to the Senate.
I want to commend the gentleman for his leadership in this area and strongly endorse his recommendation that the Gephardt amendment stay in the bill, that we defeat the amendment that would delete it, because it is a very important step forward in congressional responsibility in the handling of the public debt limit.

Mr. GEPHARDT. I thank my distinguished colleague from Missouri, Mr. Volkmer.

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

Mr. Volkmer. I thank the gentleman for yielding.

I want to commend my colleague from Missouri for his leadership in this area that in the future we will not be faced with the difficult task of differentiating between the budget resolution and the debt ceiling. I think he has shown great leadership in this issue and many issues to come.

Mr. GEPHARDT. I thank my friend from Missouri.

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

Mr. CONABLE. Mr. Chairman, I have no further remarks for time.

Mr. ULLMAN. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia (Mr. Jenkins).

Mr. Jenkins. Mr. Chairman, I realize that this is probably the most frustrating issue that comes before this House several times each and every year. During the some 2½ years that I have had the privilege of serving in the House, I have attempted to rationalize the opposition to this issue, and really it boils down to two things, I believe.

First of all, there is always the political aspect of it. I do not think anyone in this House has anyone asking them to vote to extend the debt limit.

Second of all, I think that the debate on it may serve one good purpose. That is simply to point out the extent of the total national debt; but as far as the merits of the issue, there is no rational reason that I can find other than the political aspects of it for opposing this legislation each and every year.

As a matter of fact, it has been pointed out time and time again that we really play a game with ourselves. When we have a Republican President in the White House, then many of the Democrats do not feel obligated to vote for the debt limit legislation.

When we have a Democrat in the White House, few, if any, Republicans feel any obligation whatsoever to vote for this legislation. I think that is bad on the part of the House all of us in private agree that this has to be done if the Government is going to continue to operate.

Some portion of this 800 billions of dollars was incurred during World War II. Some parts of it was incurred during the Korean War, I think, and the Vietnam war. We are saying by a "no" vote, "I don't want to pay the debts of the United States incurred during World War II or during any of the other conflicts." Some part of this debt comes from defense expenditures.

I join my friends over on the minority in voting for almost every increase in national defense because I truly believe that we desperately need increased expenditures in defense for the protection of our Nation.

Yet when it comes time, and this is disturbing to me personally, when it comes time to pay the bill, to go on record for paying for that defense, I find that there are no votes on the other side. That tragedy, in my opinion, for the House to take that type of a position.

I realize, I represent a conservative district and I have had to confront this issue but I simply have never found a reason to vote against it. I truly believe that if we are to contain Federal spending and to eliminate the need to increase the debt, we really have to look at the appropriation process. But we can never get to accomplish by consistently defeating this bill and coming back to redo it.

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

Mr. Jenkins. I yield to the gentleman.

Mr. ULLMAN. The gentleman is making a very thoughtful statement. I think the time has come to do what the gentleman suggests. The importance of the debt limit has been totally distorted, not just in the minds of Congressmen, but by a lot of those people who compile voting records who count this a spending bill. Nothing could be further from the truth. That kind of misconception, it seems to me, simply cannot be justified. I commend the gentleman.

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

Mr. Jenkins. Yes, I yield to the gentleman.

Mr. DICKS. Mr. Chairman, I would like also to compliment the gentleman from Georgia. I think he made a very accurate and realistic statement about this problem.

As a member of the Appropriations Committee, I would just like to point out to the gentleman that the Appropriations Committee is responsible for a portion of the spending, and we are trying our best on all 13 bills to hold down the level of spending.

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

Mr. ULLMAN. Mr. Chairman, I yield 4 additional minutes to the gentleman from Georgia (Mr. Jenkins).

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

Mr. Jenkins. I yield to the gentleman.

Mr. DICKS. Mr. Chairman, I would say to the gentleman that one of the initiatives this year on the disability leg-
Mr. ULLMAN. Mr. Chairman, I think what the gentleman is saying is that this is not and should not be a political matter. When we act on our appropriation bills and our budget resolutions, I see the reason for some Members to let politics influence their voting, but at this point now—whether the spending decisions have been made by majority vote in Congress. We made the decision in the past that brought us to the point now where—if we do not pass this bill— we cannot pay our debts, and we will bring the Government to a grinding halt. I think that is the responsibility of the minority as well as the responsibility of the majority to keep this Government viable.

Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. CONABLE. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. The rule, the bill is considered as having been read for amendment.

No amendments are in order except the following amendments:

(1) Pro forma amendments for the purpose of debate; (2) amendments offered by direction of the Committee on Ways and Means or the Committee on Rules, which shall not be subject to amendment except pro forma amendments for the purpose of debate; (3) amendments only changing the numerical figure on page 2, line 8, and said amendments shall not be subject to amendment except pro forma amendments for the purpose of debate; and (4) an amendment printed in House Resolution 428, which shall not be subject to amendment except pro forma amendments for the purpose of debate; and (5) one motion to strike title II which shall not be subject to amendment except pro forma amendments for the purpose of debate.

The bill reads as follows:

H.R. 3689

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLES—TEMPOARY INCREASE IN PUBLIC DEBT LIMIT; EXCEPTION TO INTEREST RATE CEILING ON BONDS

SEC. 101. (a) During the period beginning on the date of the enactment of this Act and ending on May 31, 1980, the public debt limit set forth in the first sentence of section 21 of the Second Liberty Bond Act (31 U.S.C. 757b) shall be temporarily increased by $479,000,000,000.

(b) Effective on the date of the enactment of this Act, the first paragraph of the Act of April 2, 1979, entitled "An Act to provide for a temporary increase in the public debt limit, and for other purposes" (Public Law 95-5), is hereby repealed.

SEC. 102. The last sentence of the second paragraph of the first section of the Second Liberty Bond Act (31 U.S.C. 757b) is amended by striking out "$450,000,000,000" and inserting in lieu thereof "$500,000,000,000".

TITLES—ESTABLISHMENT OF PUBLIC BUDGET PROCESS; APPROPRIATIONS COMMITTEE; CONGRESSIONAL BUDGET PROCESS

SEC. 201. (a) The Rules of the House of Representatives are amended by adding at the end thereof the following new rule:
"RULE XLIX "EMBARRASSMENT OF STATUTORY LIMIT ON THE PUBLIC DEBT"

"1. Upon the adoption by the Congress (under section 301 of the Congressional Budget Act of 1974) of any concurrent resolution on the budget setting forth as the appropriate level of the public debt for which such concurrent resolution relates an amount which is different from the amount of the statutory limit on the public debt which would otherwise be in effect for such period, the enrolling clerk of the House of Representatives shall proceed to prepare and present an engrossment of a joint resolution, in the form prescribed in clause 2, increasing or decreasing the statutory limit on the public debt by an amount equal to the difference between such limit and such appropriate level. The vote by which the conference report on the concurrent resolution on the budget was agreed to in the House (or by which the concurrent resolution itself was adopted in the House, if there is no conference report) shall be deemed to have been a vote in favor of such joint resolution upon final passage in the House of Representatives. Upon the adoption of the engrossment and enrollment of such joint resolution it shall be deemed to have been passed over the objections of the House and Senate (and otherwise treated for all purposes) in the manner provided for bills and joint resolutions generally."

"4. Nothing in this rule shall be construed as limiting or otherwise affecting the power of the House of Representatives or the Senate to consider and pass a bill which—"
ceiling. Sure, that responsibility is tough; sure, it requires time—but it should. It is an important way of providing a substantial amount of funding for the Treasury.

I think it is irresponsible to separate it or to make it easier to pass by including it in a budget resolution. The focus on the debt ceiling is far less visible. Now, we have no guarantee that the Senate will comply with what we say here on this rule change. As a matter of fact, they may go ahead and continue to vote on this whole issue twice, both in the concurrent budget resolutions and the second procedure of requiring a separate vote on a debt ceiling increase.

So, I believe it is wrong to obscure the visibility of this responsibility. Sure, I understand the claim of my colleague from Missouri, "Well, it will free up time. We are too busy." But, are we really too busy for that important responsibility? This is one of those areas where I think we should be busy and zero in on our responsibility as to what it really means when we increase the debt ceiling.

It is important to recognize that individuals who have the responsibility of handling their own debt would say, "Well, I will pass that on to the next-door neighbor or somebody else, or we will do it at a later time and continue to work on it later.

When we increase our personal debt, that is our individual responsibility. I think the U.S. debt is the responsibility of the House, and I am sorry that we are now thinking of separating it out, of making it easier to raise the debt ceiling by hiding it in the budget resolution. When we come here on this floor during the debate on the debt ceiling some of my friends say "free up the time because we are too busy to be bothered." I realize that it is boring and a lot of Members do not want to pay any attention to it, but that does not relieve us of that responsibility to consider such an increase in the debt ceiling in a meaningful way. A debt increase is also a combination of on-budget and off-budget items, and we do not really debate those very extensively in the budget resolution.

So, I think we are sliding out from under the responsibility if we accept the Gephardt amendment. Again, I want to say that I compliment my colleague from Missouri in that he has encouraged us to take this issue up. I am not condemning the work and the time and the effort that he has spent in developing and advocating this change, because his effort does focus on the issue, but just because he has worked on it does not mean it is right. I think we would all acknowledge that just because somebody spent a lot of time trying to figure out a way to amend a process and a rule we already have does not mean it is right. That would be especially true if it relieves us of the responsibility that I think is ours as elected representatives.

Mr. Rousselot has said, "Well, this is necessary because some individuals in the House use it as a 'political excuse' to say they are voting against "big spending" by voting against the debt increase.

Just because certain Members of the House may use it as an irresponsible vote instrument does not mean that it is right to take away the responsibility from the rest of the Members of the House who try to be responsible in the way they look at the vote on the issue.

The CHAIRMAN of the gentleman from California has expired.

(By unanimous consent Mr. Rousselot was allowed to proceed for 3 additional minutes.)

Mr. ROUSSELOT. I believe that this debt ceiling legislation is a second important discipline and that the Ways and Means Committee should abide by it. The gentleman from Missouri stated that it requires the Ways and Means Committee to look at the deficit requirement and ceiling anyway. Why not have the full House vote on it and discuss it? Just because a lot of people are tired of it and want to shuttle it aside, is not a good reason to eliminate the rule and the responsibility to take the second disciplinary step; that is, to vote on the issue of how much and at what time we should increase or not increase debt ceiling.

I am sure that if we ever got to the place where we had a debt ceiling there would be a lot of people in here who would be most anxious to vote for such a reduction. I do not believe we should eliminate it just because it is painful or offensive. I do not believe it is in a way. I do not believe that should be the excuse to eliminate the rule of the House that requires us to look at that increase in the debt ceiling above and beyond the budget process.

One of my good colleagues from Georgia said some people come here and play games with it. That is their fault; that is not mine. I do not consider it playing games. I consider it part of my voting responsibility that I have to my constituency, to this country, as to what we do with that debt ceiling. It is an important issue involving well over $800 billion, a tremendous figure. It is the third largest item in the budget—that is the requirement of the interest charge that goes with the whole debt—and to say that has little meaning, no meaning, to me, is really looking at it in other hidden places. I think it fuzzes over our responsibility. I want to vote on this more than once. I am not afraid of it. I can assure my colleague, the gentleman from Georgia, I do not play games with it, and I think there are a lot of other people in this House who do not.

Mr. Chairman, I think this is an important second discipline for the House that is supposed to control "the purse strings." I hope the Members will vote to remove this title from the bill.

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

Mr. ROUSSELOT. I yield to the gentleman from Ohio.

Mr. LATTA. I thank the gentleman for yielding. Let me commend the gentleman for bringing this amendment. I intend to support it. I think that it is absolutely wrong to be taking this step because, as he has already pointed out, some discipline on this House and on the Senate, and it makes them realize that they are adopting day after day, as they pass these appropriation bills, figures that eventually will go into that national debt that will have to be reckoned with. Certainly the American people are familiar with that figure.

Mr. ROUSSELOT. I will say to my colleague the American people are indeed familiar with that huge debt.

Mr. WYLIE. They certainly are, and if we get home and talk to our constituents, they talk about that national debt, and they are talking about the interest, and it is going to be that national debt that they have to pay for.

The CHAIRMAN. The time of the gentleman has expired.

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

Mr. LATTA. If the gentleman will yield further, they might not be paying anything on that principal that they are passing on to their children and grandchildren and grandchildren's children. I think we are playing games with it. That is their fault; that is their fault. They are paying on the interest. They cannot escape that, and they are well aware of it. I think the American people are not going to look kindly on any action this House might take to put this matter under the rug so that it will be passed over very quickly, hopefully in the budget resolution, without directing the American people to that ever-increasing, yes, ever-escalating national debt that is put on them because of the big-spending habits of this Congress.

I commend the gentleman for offering his amendment, and I certainly will support it.

Mr. ROUSSELOT. I thank my colleague for his remarks.

Let me just conclude by saying I think it is an important House responsibility. I think we should do it, and I hope my colleagues will vote to keep the rule as it is. I urge a yes vote on the Rousselot amendment.

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

Mr. Chairman, of course I rise in strong opposition to the amendment offered by my friend, the gentleman from California (Mr. ROUSSELOT), but the gentleman from Missouri (Mr. GEP­hardt), the author of the amendment and the prime mover will make the argument against it to the members of this committee and the House. But I want to clarify a point. The gentleman from California (Mr. ROUSSELOT) has said a number of times that a debt ceiling is some form of taxation. Nothing could be further from the truth. It is not a form of taxation. The decisions that determine the debt ceiling today have been made in the past. We have made them in every bill we pass or fail to pass in tax legislation, and in our budget resolution; and we have a budget procedure now. We have a process here. It results that we have here today. All we are
Mr. Chairman, I rise to oppose the Rousselot amendment which would strike the changes that were made in the bill to institute this new debt limit process. I want to very strongly agree with the gentleman from California (Mr. Rousselot) who is the maker of the amendment, that the debt ceiling is important. Let there be no fuzzing of that issue, or any indication that I or any of us here believe or are adj­ured to believe what is the case that the debt ceiling is not important. Obviously it is a legal act of great consequences. It increases the debt of the United States. It has a lot to do with our budgeting costs. It has a lot to do with interest rates all over the country. It is a meaningful act. We quite agree on that point. Where we disagree is whether or not freestanding public debt limitation is a second discipline in the Congress, and I would submit to the Members it is not a second discipline at all. I would strongly argue and disagree with the gentleman from California (Mr. Rousselot) that this new process would obscure what we are doing. In fact, I would argue very strongly that what we are doing now currently is going on, vastly obscures it, because it allows the Members to make the decision to spend and then a few days later or a few months later to stand up and raise the debt ceiling to accommodate the spending that I have already made.

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

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

Mr. CONABLE. I thank the gentleman for yielding.

I would like to associate myself with the thrust of the gentleman’s remarks. As to procedure I think this anachronism is mischievous. That is the reason I have supported the amendment offered by the gentleman from Missouri (Mr. Gephardt) and I oppose an effort to strike it from the bill. I thank the gentleman.

Mr. GEHPHARDT. I thank the gentleman from New York for his support of this amendment.

The analogy that was made by the chairman and by the gentleman from California of Individuals and how they deal with their own budget, clearly the decision we make in the budget process is just like spending decisions that individuals make.

Mr. Chairman, our process in effect today, would be like someone deciding to go buy a house, signing the contract which is the legal obligation to buy that house, and then going to the closing of the house sale and saying, “I really want the house, I stand behind the legal commitment I have made but I do not want to sign the note to pay the money and I do not want to sign the mortgage.”

That is precisely what we are doing. I would submit it to you that obscures what is really happening and if the gentleman from California is concerned about there being truthful and candor in putting the facts on the table, that indeed putting these two procedures together exactly accomplishes that.

Mr. Chairman, I am afraid I will have to support the gentleman because I think that is the sensible thing to do. However, I would like to see much intelligence, urgency, and eloquence raised on behalf of an entirely different procedure which is that we vote on the budget and decide how much we are going to spend, first, the way any family does, and then fit our priorities into what I think we have to spend. That is the trouble.

Mr. Chairman, what we do, is to do it incrementally, starting at the bottom, adding and adding and adding. Then we hit, with the poor chairman of the Committee on the Budget fighting to hold things down, which he does, and also the gentleman, plus our ranking member, but it is the wrong frame. Therefore, what support of all the authorities in this House to decide first what we think this country can afford and then decide where that amount is going to be allocated, we will never have commonsense in this House.

Mr. GEHPHARDT. Mr. Chairman, I thank the gentlewoman for her comments. I believe through the budget process we are learning how it needs to be adjusted to work more properly. That kind of suggestion, which has been made by the gentlewoman and others, I think is a constructive one that has to be considered by our Committee on the Budget.

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

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

Mr. ROUSSELOT. I appreciate the gentleman yielding.

Another problem that I see, is that the budget process does not consider the off-budget items. Therefore, what contributes to the need for an increase in the debt will not now be fully discussed.

Part of the increase in the debt many times occurs because of off-budget items.

I would say to my colleagues when and if we ever get the chance to deal with the budget resolution, it would make a better case for what the gentleman is saying.

Mr. GEHPHARDT. Mr. Chairman, let me say I agree with the gentleman wholeheartedly and I think the change we are here advocating today will heighten the chances that we can make that kind of a change in the budget process. I heartily support it. I have supported it in the Committee on Ways and Means and will continue to support it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GIAIMO. Will the gentleman yield, Mr. Chairman?

Mr. GEHPHARDT. I certainly will yield to the gentleman from Connecticut.

Mr. GIAIMO. Mr. Chairman, I rise to...
Mr. GEPHARDT. Mr. Chairman, I agree with the gentleman and thank him for his remarks.

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

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

Mr. LATTA. Mr. Chairman, I see the chairman of the Committee on the Budget is on the floor. The reason I asked for this time was to agree with what the gentleman said. It will make it more difficult, as I pointed out earlier, to pass the budget resolution.

Mr. Chairman, I will ask the chairman of the Committee on the Budget if he does not concur with me that under this procedure in the Committee on the Budget we are going to be handed a figure for the national debt from the Committee on Ways and Means and we will not be able to change that figure.

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

Mr. GEPHARDT. I yield to the gentleman from Connecticut.

Mr. GIAIMO. This is not my understanding. If you can clear that up for me, I will vote with you in support of your amendment. Is it not so? It is my understanding they will make a recommendation to us in their report of March 15.

Mr. LATTA. As I understand it, Mr. Chairman, that figure stands and we cannot change it. I think we should have that straightened out.

Mr. GEPHARDT. It is clear within the committee or the House, as the Committee on the Budget does often on the floor, in the budget process, the Committee on the Budget can and will be allowed to make amendments to the number as it does many other numbers, to achieve consistency with the action taken by the committee and the floor.

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

Mr. GEPHARDT. I will yield to the gentleman from Connecticut.

Mr. GIAIMO. We can change the public debt number in the committee as we prepare a bill, but it is a fact that just because two reforms are needed does not make one of them bad. I do not believe there is anything inconsistent between what the gentleman from California is suggesting and what the gentleman from New York is suggesting.

In fact, we have not had an adequate discussion of off-budget items. I would like to see that occur.

Mr. Chairman, I would also like to associate myself with the remarks of the gentleman from New Jersey. I completely agree with the gentleman. I recognize the political difficulties here in putting this on the budget resolution. Lord knows we are going to take the budget resolution up, hopefully, tomorrow and we have enough problems passing the resolution without adding anything to it.

Mr. Chairman, I do think it is a cleaner process if the issue of the debt ceiling is made part of the budget process. We make the determination in the budget process anyway as to what the debt ceiling is and I do believe in making that determination we do—it is one of the aggregates we have to establish—I do think we consider the off-budget agencies part of the debt, even though it does not fit into our deficit, but it does fit into the total debt of the United States so to that extent it is part of the obligations of the Government and of the Treasury.

Mr. Chairman, I think it is a cleaner process. I think that is what the gentleman from Missouri is trying to accomplish and the Committee on Ways and Means. It will give us difficulties, it will give us difficulties in passing the budget, but I believe in the overall we ultimately will have to arrive at a decision. I believe we can do it all in one place rather than separately as we are doing here today. We are here considering debt ceiling today, tomorrow we are considering budget. It will unify the consensus or the lack of consensus. Ultimately we have to make up our minds in this place. The business of the people of the United States demands that we do and I commend the gentleman.

Mr. CONABLE. Mr. Chairman, I yield to the gentleman from New York.

Mr. GEPHARDT. Mr. Chairman, if the gentleman from Missouri is trying to accomplish the action taken by the committee on Ways and Means on advice of the Treasury Department and others makes a judgment on the amount of public debt ceiling increase necessary to accommodate off-budget spending. As it is now in the budget process, the Budget Committee will take that figure and adjust it as it deems necessary for changes made in the budget process with regard to direct spending on budget. There is no reason today that the Budget Committee cannot make a change that figure as well if they are made aware of changes in off-budget spending which would require changes in that number. It is a procedure that we practice today.

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

Mr. GEPHARDT. I will yield.

Mr. ULLMAN. The issue as the gentleman has stated it is correct. We must remember there will be some discrepancy here. There is a number that is not correct, that is the number that comes from the Committee on Ways and Means is now and can be and should be adjusted by the Budget Committee when we go through the process. The number that comes from the Committee on Ways and Means is supposed to retain jurisdiction over that figure.
said before, for the Committee on Ways and Means to bring free-standing legislation to the Budget Committee. Then we proceed to put a budget together. Lord knows how we are proceeding right now, as you well know. We are having a devil of a time doing it, as the gentleman well knows.

Mr. LATTA. I have to say Amen to that.

Mr. GIAIMO. The gentleman can say Amen to that and say it again more. Amen's tonight and tomorrow morning before we bring it up.

Then we put together a budget. We decide what the priorities of this Nation are. We decide what we are going to have to need in budget authority and in outlays. We make our upgraded assumptions based upon information fed to us by CBO, by OMB, by the Council of Economic Advisors, by econometric models from all over the country, the gentleman knows that. The gentleman is on the committee.

Mr. LATTA. We know that. We understand all that. Let us get back to the budget figure.

Mr. GIAIMO. I am trying to explain it. If the gentleman will yield, I will get the gentleman some time.

We then make a determination of what we are going to need in outlays, what the revenues will be and what our deficit will be. Then we consider the off-budget items also and their debt and we come up with the fifth aggregate, which is the public debt.

We have to show the freedom, as I understand it under this legislation, to determine what that debt number will be without having to go back to the Committee on Ways and Means. Is that a correct statement of fact?

Mr. ULLMAN. Mr. Chairman, if the gentleman will yield, that is the only way the procedure can possibly work. We have to show the freedom, as I understand it under this legislation, to determine what that debt number will be without having to go back to the Committee on Ways and Means. Is that a correct statement of fact?

Mr. ULLMAN. Mr. Chairman, if the gentleman will yield, that is the only way the procedure can possibly work. We have to show the freedom, as I understand it under this legislation, to determine what that debt number will be without having to go back to the Committee on Ways and Means. Is that a correct statement of fact?

Mr. GIAIMO. Fine; that being the case, I will support the legislation. If it were otherwise and if we had to go through this agony, but the Committee on Ways and Means is the way we have to go through the control, then I would be up here not only supporting the gentleman, but I would be fighting for the gentleman's amendment. The gentleman is stating it correctly.

Mr. GIAIMO. Fine; that being the case, I will support the legislation. If it were otherwise and if we had to go through this agony, but the Committee on Ways and Means is the way we have to go through the control, then I would be up here not only supporting the gentleman, but I would be fighting for the gentleman's amendment. The gentleman is stating it correctly.

Mr. GIAIMO. Fine; that being the case, I will support the legislation. If it were otherwise and if we had to go through this agony, but the Committee on Ways and Means is the way we have to go through the control, then I would be up here not only supporting the gentleman, but I would be fighting for the gentleman's amendment. The gentleman is stating it correctly.

Mr. GIAIMO. Fine; that being the case, I will support the legislation. If it were otherwise and if we had to go through this agony, but the Committee on Ways and Means is the way we have to go through the control, then I would be up here not only supporting the gentleman, but I would be fighting for the gentleman's amendment. The gentleman is stating it correctly.

Mr. GIAIMO. Fine; that being the case, I will support the legislation. If it were otherwise and if we had to go through this agony, but the Committee on Ways and Means is the way we have to go through the control, then I would be up here not only supporting the gentleman, but I would be fighting for the gentleman's amendment. The gentleman is stating it correctly.

Mr. GIAIMO. Fine; that being the case, I will support the legislation. If it were otherwise and if we had to go through this agony, but the Committee on Ways and Means is the way we have to go through the control, then I would be up here not only supporting the gentleman, but I would be fighting for the gentleman's amendment. The gentleman is stating it correctly.
many of the people that vote for those big expenditures when they come along, because they want all the people back home to believe the wonderful things they are doing for them; but the point is it is another way of paying for it. It is another form of taxation. I think it should be a second discipline on the House to require us to vote on the increase of that debt.

Mr. Chairman, I urge support for my own resolution.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. Rousselot).

The question was taken; and on a division demanded by Mr. Rousselot, there were—aye 132, noes 283, not voting 19, as follows:

[Vote roll]

The vote was taken by electronic device, and there were—aye 132, noes 283, not voting 19, as follows:

[Vote roll]

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. McHugh, 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. 5389) to provide for a temporary increase in the public debt limit, and to amend the Rules of the House of Representatives to make possible the establishment of the public debt limit, the future as a part of the congressional budget process, pursuant to House Resolution 425, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the passage of the bill.

The vote was taken by electronic device, and there were—yeas 219, nays 198, not voting 17, as follows:

[Vote roll]

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

The SPEAKER. The question is on the engrossment and third reading of the bill.

The vote was taken by electronic device, and there were—yeas 219, nays 198, not voting 17, as follows:

[Vote roll]
NAYS—198

Abdnor
Ambro
Anderson, Calif.
Anderson, N. Dak.
Applegate
Archer
Ashbrook
Badham
Bailes
Barnard
Bauman
Beard, H. I.
Beard, T. M.
Becker
Belcher
Belmont
Bell
Bess
Biddle
Bilott
Boggs
Boyle
Boyds
Braun
Broomfield
Brown, Ohio
Brody
Buchanan
Burgess
Burton, John
Butler
Byron
Campbell
Carney
Chappell
Chesley
Claussen
Cleveland
Cligner
Coleman
Collins, Tex.
Constable
Cottee
Corcoran
Coughlin
Courter
Crane, Daniel
Crane, Philip
D'Amour
Daniel, Dan
Daniel, R. W.
Dannemeyer
Davis, Mich.
Davis, W. A.
de la Garza
Deckard
Dewrniski
Devine
Dickinson
Dickson
Douglas
Dougherty
Duke, Tenn.
Early
Edwards, Ala.
Edwards, Okla.
Emer
English
Erdahl
Erkel
Evans, Del.
Evans, Ind.
Fenwick
Finlay

Fondren

The Clerk announced the following pairs:

On this vote:
- Mr. Hanley for, with Mr. Erlenborn against
- Mr. Rodino for, with Mr. Quiglen against
- Mr. Nolan for, with Mr. Fish against
- Ms. Holtman for, with Mr. Carter against
- Mr. Conyers for, with Mr. Myers of Indiana against
- Mr. Diggs for, with Mr. Winn against

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ULLMAN. 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 just passed.

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further 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. 3493) entitled "An Act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending September 30, 1980, and for other purposes." and that the Senate agrees to the further amendments numbered 137 to the foregoing bill.

There was no objection.

REFERRAL OF H. R. 5375 JOINTLY TO COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION AND COMMITTEE ON WAYS AND MEANS

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that the bill, H.R. 5375, to establish a trust fund for public mass transportation projects, to amend title 23, United States Code, to provide for Federal-aid road control, and for other purposes, which was initially referred solely to the Committee on Public Works and Transportation, be jointly referred to the Committee on Ways and Means.

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

The was no objection.

CONFERENCE REPORT ON H. R. 4393, TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS, 1980

Mr. STEED. Mr. Speaker, I call up the conference report on the bill (H.R. 4393) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies for the fiscal year ending September 30, 1980, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. The Clerk will read the conference report.

The Clerk proceeded to read the conference report.

Mr. STEED. During the reading. Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

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

There was no objection.

(For conference report and statement, see proceedings of the House of September 24, 1979.)

The SPEAKER. The gentleman from Oklahoma (Mr. STEED) will be recognized for 30 minutes, and the gentleman from Ohio (Mr. MILLER) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Oklahoma (Mr. STEED).

Mr. STEED. Mr. Speaker, we bring up today the conference report on one of our major appropriation bills. I think we have worked out, under the circumstances, a very good compromise on the points at issue so that we can present the House today with a very good product, one that carries out almost entirely the express wishes and will of the House.

We have a bill that is over the amount in the House bill when it left, but it is under the amount put in by the other body, and it is considerably under the budget request. It is a half-billion dollars under this same bill a year ago.

We have been able to come with the automatic workloads the agencies covered in this bill may have to contend with during the coming year. I think we have given them all of the resources they will need which will assure that they can carry on a good, healthy program for the coming year.

As my colleagues know, in the Treasury Department, the Postal Service, and the general agencies most of the work in this bill constitutes what is the heart of the Federal Government. They perform services and collect revenues that create Federal infrastructures, and so we feel we have to give them what resources they need to meet these needs.
September 26, 1979

CONGRESSIONAL RECORD—HOUSE

that they are commanded by law to perform.  

I think that we can rest assured that we have met all these needs. Now, there is one item in here that we have had some difficulty with, and that is the draft for the Northern Marianas. As was requested by the IRS, like to have done might be subject to a lawsuit. Therefore, I think it takes a considerable dilemma to give the Members what we have done this year would urge the government of the Northern Marianas. At this point in the legislative committee to give the Members some of the objections. We hope that the gentlemen will not have this difficulty. Mr. PHILLIP BURTON. Mr. Speaker, will the gentleman yield? Mr. STEED. I yield to the gentleman from California. Mr. PHILLIP BURTON. Mr. Speaker, about a year and a half ago this House acted, the Senate acted, and the President signed into law a certain matter affecting tax collection in the Northern Marianas Islands. At this point in the Record, hoping that the affected agency will read this suggestion and admonition, at the instance of the majority and minority staffs and leadership of our committee, we drafted for the Northern Marianas language which would trigger off an effective request pursuant to the terms of our bill that is now law, that the IRS begin collecting taxes starting the first of the coming year.

It is presently the case, that despite the fact that the law is clear, and despite the fact that our committee drafted the resolution so that there could be no mistake to trigger off an effective request to IRS, they still have not looked up to proceed with this responsibility. I merely wanted to alert my dear friend Mr. KAZEN. Mr. Speaker, I thank the gentleman. I have just one more question, if the gentleman will yield. I am very interested in the customs personnel, and as usual I hope that the committee has given the Customs Service enough money to employ the personnel that they need to carry on their activities. I know that at this new border station which we are talking about in Laredo we are going to need some more personnel in order to make it a 24-hour station. That station brought in $34 million last year, working for the same number of personnel—and we are shorthanded there. I just want to make sure that the conference report gives the Customs Service enough money for the personnel needed to perform. Mr. GINN. Mr. Speaker, I yield to the gentleman. Mr. STEED. I yield to the gentleman from Texas. Mr. GINN. Mr. Speaker, I ask the gentle­man to yield to ask him a very important question on a provision that means a great deal.

Did the conferes include the additional $879,000 requested by the GSA Board of Contract Appeals in the conference report? Mr. STEED. Yes, we did. The Senate approved the increase and the House certainly had no intention of disapproving it. The funds we are appropriating for the account of “Administrative and Staff Support Services” is to include an appropriation to the Board of Contract Appeals in the amount of $1,587,000 which includes the additional $879,000. Mr. GINN. I thank the gentleman. Mr. GLICKMAN. Mr. Speaker, will the gentleman yield? Mr. STEED. I yield to the gentleman from Kansas. Mr. GLICKMAN. Mr. Speaker, I rise in opposition to the conference report. I do so because the version of an amendment offered by the gentleman which was finally approved does not reflect my initial intent. Admittedly, the conferes are not responsible for this situation. My amendment to delete the funding for postal subsidiaries to political commit­tees, was amended on the House floor to the point that I could not agree to it, and the Senate subsequently agreed to identical language as that approved by the House. Hence, this was not a matter open for discussion in the conference.

Nonetheless, the way the bill currently reads with regard to availability of special reduced rate bulk mail service for political party committees, it is nothing short of discriminatory. I offered an amendment to delete the funding entirely for that special subsidy, I did so for several reasons. First, I was—and remain—convinced that political parties do not fall into the same category as the nonprofit organizations which are intended to benefit those reduced rates. And, second, the subsidy which was quietly authorized in unrelated legisla­tion last year, has proven exceptionally expensive—much more so than originally anticipated.

Admittedly, the language included in this bill addresses the cost factor by restricting the subsidy to $4 million. But in doing so, the language in the bill is discriminatory in restricting eligibility for the sub­sidy to the two major parties—those which qualified for matching funds under the Presidential campaign finance law. Admittedly, we have traditionally been a two-party nation for the most part. But there has also been a history of minor parties representing alternative views. They have had an impact on our history and on governmental policies. And, in fact, from time to time, minor parties have become major parties. By restricting access to Government benefits, we are setting up unintentional bar­riers to the formation of such parties. I
by no means agree with the positions of a number of the smaller parties which exist in this country today. I am a Demo­
crat and proud to be one. But I do respect the right of those parties to exist and to receive equal treatment under the law. That is part and parcel to our sys­
tem of political freedom, and for that reason I cannot support this conference report.

I do not intend to allow this question to be left unresolved. I was glad to note that the conferee intends to secure specific cost figures from the Postal Serv­
ice on this subsidy during fiscal 1979. I have a bill, H.R. 4339, to repeal the subsidy altogether, and I hope the appropriate substantive committee, Post Office and Civil Service, will act favorably on it.

Mr. MILLER of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in the conference report before us today we have $8.8 billion for fiscal year 1980. We should keep in mind where we really are, because it looks like we are in better shape than we actually are. We are under the budget by $184 million, but last year we had a one-time only expense of $43 million. That was for the payment to HEW for certain social service programs that were claimed by the nominees to exist last year's expenditure by approximately $26 million.

We have several important things that were discussed in this bill, first in the subcommittee, then the full committee, then on the floor, and finally in the con­
ference. An interesting item concerns the Presidential nominees that were running, as the Members are aware, in the last Presidential election, the candidates' committees billed the Secret Service for seats on airplanes. The candidates would be hounded from city to city, try to get Secret Service people with them, then, the committee would charge the Secret Service for those seats occupied by the Secret Service agents who were there for the protection of the candidate.

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

Mr. MILLER of Ohio. I yield to the gentleman from Maryland.

Mr. BAUMAN. I thank the gentleman for yielding. I yield to the gentleman from Maryland (Mr. BAUMAN) for his explanation and also to thank the individual conferees and the chairman of the subcommittee for up­
holding the House's position. I think it is a wise amendment, obviously—I offered it—and I am glad that the other body accepted it. I think it brings the Presidential expense allowances in line with the same restrictions that the Con­
gress has on their expense allowances, and I do appreciate it.

Mr. MILLER of Ohio. I thank the gentleman.

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

Mr. MILLER of Ohio. I yield to the gentleman from Ohio.

Mr. ASHBROOK. I thank the gentle­man for yielding. I see today we are in conference report we have

Mr. MILLER of Ohio. I thank the gentleman from Idaho.

Mr. ASHBROOK. I thank the gentleman for yielding. I see today we are in conference report we have

Mr. MILLER of Ohio. I thank the gentleman from Ohio.

Mr. ASHBROOK. I thank the gentle­man for yielding. I see today we are in conference report we have

Mr. MILLER of Ohio. I thank the gentleman from Idaho.

There are just a couple more points I would like to make. We heard just a few years ago that the staff of the White House would be reduced by about one­
third. In 1977 the budget for the White House Office was $16,530,000, and in this conference report we have $18,210,000. I do not believe that a lot of positions have been abolished, but we have had a lot of shuffling of the deck by an Office of Ad­
ministration that has been set up in the White House, and the expense has continued to climb.

Mr. MILLER of Ohio. I thank the gentle­man from Idaho.

There are just a couple more points I would like to make. We heard just a few years ago that the staff of the White House would be reduced by about one­
third. In 1977 the budget for the White House Office was $16,530,000, and in this conference report we have $18,210,000. I do not believe that a lot of positions have been abolished, but we have had a lot of shuffling of the deck by an Office of Ad­
ministration that has been set up in the White House, and the expense has continued to climb.

There is just one other point I want to make. The Bureau of the Public Debt cannot exist without its subcommittee for their funds to operate. We have a huge debt that is almost $900 billion and we will be paying interest in the neighbor­hood of $60 billion annually, or about $180 billion over the next 25 years. We are paying part of the public debt. It shows also the additional expense that is in this bill just to manage the public debt. In 1970 we had $60 million
just to manage the public debt. In the bill this year for fiscal year 1980 we have $183 million just to manage the public debt. At this point I would like to insert material on the debt into the Record.

### FOREIGN HOLDINGS OF U.S. TREASURY SECURITIES

#### Question

What are the foreign holdings, by country, of U.S. Treasury securities?

#### Answer

Outstanding amounts of U.S. Treasury securities held by foreigners as of yearends 1976, 1977, and 1978 are as follows:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>78.5</td>
<td>82.6</td>
<td>84.1</td>
</tr>
<tr>
<td>Japan</td>
<td>20.9</td>
<td>21.3</td>
<td>21.4</td>
</tr>
<tr>
<td>Taiwan</td>
<td>25.3</td>
<td>27.0</td>
<td>27.5</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>16.5</td>
<td>17.0</td>
<td>17.1</td>
</tr>
<tr>
<td>India</td>
<td>26.4</td>
<td>27.4</td>
<td>27.7</td>
</tr>
<tr>
<td>Indonesia</td>
<td>22.5</td>
<td>23.2</td>
<td>23.6</td>
</tr>
<tr>
<td>Israel</td>
<td>7.6</td>
<td>7.8</td>
<td>7.9</td>
</tr>
<tr>
<td>France</td>
<td>20.0</td>
<td>20.6</td>
<td>20.9</td>
</tr>
<tr>
<td>Germany</td>
<td>22.7</td>
<td>23.3</td>
<td>23.6</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>20.0</td>
<td>20.4</td>
<td>20.5</td>
</tr>
<tr>
<td>Other Europe</td>
<td>46.8</td>
<td>48.9</td>
<td>48.7</td>
</tr>
<tr>
<td>Total, Europe</td>
<td>293.5</td>
<td>304.9</td>
<td>313.3</td>
</tr>
<tr>
<td>Canada</td>
<td>34.7</td>
<td>34.6</td>
<td>34.2</td>
</tr>
<tr>
<td>Total, Others</td>
<td>328.2</td>
<td>339.5</td>
<td>347.5</td>
</tr>
<tr>
<td>Total, World</td>
<td>328.2</td>
<td>339.5</td>
<td>347.5</td>
</tr>
</tbody>
</table>

#### ESTIMATED TOTAL FOREIGN HOLDINGS OF MARKETABLE AND NONMARKETABLE TREASURY BILLS, NOTES, AND BONDS REPORTED BY BANKS AND BROKERS AS OF SELECTED YEAREnds 1976, 1977, and 1978

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.S.R.</td>
<td>27.9</td>
<td>28.1</td>
<td>28.4</td>
</tr>
<tr>
<td>Japan</td>
<td>91.9</td>
<td>92.4</td>
<td>93.1</td>
</tr>
<tr>
<td>South Korea</td>
<td>24.3</td>
<td>24.7</td>
<td>25.2</td>
</tr>
<tr>
<td>Other Asia</td>
<td>129.8</td>
<td>131.4</td>
<td>133.0</td>
</tr>
<tr>
<td>Total, Asia</td>
<td>554.8</td>
<td>560.8</td>
<td>565.6</td>
</tr>
<tr>
<td>Other countries</td>
<td>1,123.3</td>
<td>1,131.1</td>
<td>1,136.3</td>
</tr>
<tr>
<td>Total, World</td>
<td>1,678.1</td>
<td>1,662.2</td>
<td>1,662.0</td>
</tr>
</tbody>
</table>

### FOREIGN HOLDINGS OF FEDERAL DEBT

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Foreign</th>
<th>Interest on debt held by public</th>
</tr>
</thead>
<tbody>
<tr>
<td>1965</td>
<td>10.4</td>
<td>0.5</td>
</tr>
<tr>
<td>1966</td>
<td>11.6</td>
<td>0.9</td>
</tr>
<tr>
<td>1967</td>
<td>12.6</td>
<td>0.8</td>
</tr>
<tr>
<td>1968</td>
<td>11.4</td>
<td>0.7</td>
</tr>
<tr>
<td>1969</td>
<td>15.6</td>
<td>0.8</td>
</tr>
<tr>
<td>1970</td>
<td>16.6</td>
<td>1.3</td>
</tr>
<tr>
<td>1971</td>
<td>16.6</td>
<td>2.4</td>
</tr>
<tr>
<td>1972</td>
<td>15.5</td>
<td>3.7</td>
</tr>
<tr>
<td>1973</td>
<td>22.4</td>
<td>4.1</td>
</tr>
<tr>
<td>1974</td>
<td>24.7</td>
<td>4.5</td>
</tr>
<tr>
<td>1975</td>
<td>26.7</td>
<td>4.5</td>
</tr>
<tr>
<td>1976</td>
<td>31.0</td>
<td>5.0</td>
</tr>
<tr>
<td>1977</td>
<td>39.2</td>
<td>7.9</td>
</tr>
</tbody>
</table>

Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. Conte).

Mr. CONTE. Mr. Speaker, at the outset I want to compliment my chairman, the gentleman from Oklahoma (Mr. STEED), and my ranking minority member, the gentleman from Ohio (Mr. MILLER), for doing what I think is an outstanding job with a very difficult piece of legislation.

Mr. Speaker, I rise in support of the conference report on the fiscal 1980 Treasury-Postal Service appropriations bill.

The conference are recommending total appropriations of $8,837,278,100. This is more than half a billion dollars less than the amount appropriated last year, and it is $184 million below the President's budget request.

This bill provides funding for the Department of the Treasury, partial funding for the Postal Service, as well as funding for the White House and related offices, the General Services Administration, the Federal Election Commission, and...
and the agencies which oversee the Federal bureaucracy.

There are no major controversies that I know of in this conference report. Language adopted by the House related to IRS treatment of private schools is included in the report. Language regarding the prior use of his expenses as adopted by the House is included in the report, with a clarification that such funds, if used for official expenses, are not taxable. And the House provision related to postal costs of political committees is in the report.

In dollar terms, the conference report is $9 million below the Senate bill and $47 million over the House bill, including $15 million for items not considered earlier by the House.

One significant increase accepted by the House conferees will provide additional resources in the amount of $16.7 million to the Internal Revenue Service to curb the growing trend toward a "subterranean economy" which threatens this Nation's admirable record of voluntary compliance. A similar provision was included in the statement of the managers directing the IRS to maintain quality audit practices to meet this problem.

House conferees have also agreed to additional funding and manpower for the long-needed cleanup of the General Services Administration. A separate, independent account of nearly $19 million is established for the Office of Inspector General of GSA in order for that office to function without pressure from other offices there.

One of the more difficult issues addressed by the conferees was the funding for activities of former Presidents, and I believe the report contains a reasonable compromise. The conferees reduced President Ford's allowances by $33,000 as he requested, and President Nixon's allowance was cut by $5,000 for travel and $500 for miscellaneous services. In addition, sense of the Congress language is included in the bill calling for reimbursement to the Government by Pfizer, Inc., the manufacturer of costs related to improvements to the Casa Pacifica estate in San Clemente.

Mr. Speaker, I urge my colleagues to support this conference report.

Mr. EVANS of Delaware. Will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Delaware.

Mr. EVANS of Delaware. I thank the gentleman for yielding.

Mr. Speaker, I ask for this time to first compliment the gentleman from Oklahoma (Mr. STEED) for his tremendous service to this body and to our country from Delaware.

There are no major controversies that I know of in this conference report. Language adopted by the House related to IRS treatment of private schools is included in the report. Language regarding the prior use of his expenses as adopted by the House is included in the report, with a clarification that such funds, if used for official expenses, are not taxable. And the House provision related to postal costs of political committees is in the report.

In dollar terms, the conference report is $9 million below the Senate bill and $47 million over the House bill, including $15 million for items not considered earlier by the House.

One significant increase accepted by the House conferees will provide additional resources in the amount of $16.7 million to the Internal Revenue Service to curb the growing trend toward a "subterranean economy" which threatens this Nation's admirable record of voluntary compliance. A similar provision was included in the statement of the managers directing the IRS to maintain quality audit practices to meet this problem.

House conferees have also agreed to additional funding and manpower for the long-needed cleanup of the General Services Administration. A separate, independent account of nearly $19 million is established for the Office of Inspector General of GSA in order for that office to function without pressure from other offices there.

One of the more difficult issues addressed by the conferees was the funding for activities of former Presidents, and I believe the report contains a reasonable compromise. The conferees reduced President Ford's allowances by $33,000 as he requested, and President Nixon's allowance was cut by $5,000 for travel and $500 for miscellaneous services. In addition, sense of the Congress language is included in the bill calling for reimbursement to the Government by Pfizer, Inc., the manufacturer of costs related to improvements to the Casa Pacifica estate in San Clemente.

Mr. Speaker, I urge my colleagues to support this conference report.

Mr. EVANS of Delaware. Will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Delaware.

Mr. EVANS of Delaware. I thank the gentleman for yielding.

Mr. Speaker, I ask for this time to first compliment the gentleman from Oklahoma (Mr. STEED) for his tremendous service to this body and to our country over a period of many years in the House of Representatives and also to express my concern about the activities of the Treasury Department, regarding a hearing we had yesterday in the Committee on Banking, Finance and Urban Affairs.

We are holding oversight hearings concerning the activities of the U.S. Mint with specific reference to the Susan B. Anthony coin. I had learned from Treasury's testimony before your subcommittee, that there was to be a report prepared by a Treasury task force, to be written by representatives from the Mint, the Bureau of Engraving and Printing and the Federal Reserve, which then was to be forwarded to the Secretary of the Treasury on or about May 1 of this year. The report, a long-range assessment of the U.S. currency and coin system recommended that the $1 bill be withdrawn from circulation to be replaced by the Susan B. Anthony coin. I was told that the report was not ready prior to the hearing.

Mr. Speaker, at those hearings I asked specifically if I could have a copy of the report and was told by the Director of the Mint that it was not yet ready to be released.

Mr. Speaker, within a matter of several hours, I picked up the Washington Star and read about the Treasury Department's recommendation. I am a little concerned about that. I am also concerned that the Treasury Department might be backing out of withdrawing the dollar bill. I think George Washington would turn over in his grave. I just do not think the American people have accepted the concept of withdrawing the $1 bill from circulation.

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

Mr. CONTE. I yield to the gentleman from Oklahoma.

Mr. STEED. It is my understanding that changes in the monetary units of this Nation are made only by legislation. I cannot believe they will make any major change in the Mint or in the Bureau of Engraving and Printing or in the Treasury Department without legislative authority. We have funded all these agencies to continue the same production level they have had and as far as I know they will continue to do so. I am sorry the gentleman was unable to get the information or a copy of the report some days ago. I have not read the report in detail but I understand this is only a recommendation without authority to be carried out. I would assume something will receive a lot of attention both in this body and the other body before it ever becomes a fact.

Mr. EVANS of Delaware. Mr. Speaker, I hope in the gentleman's vigilant way, he will keep Treasury's feet to the fire because I really do not think this coin in its present form is ready to replace George Washington with the $1 bill. We are trying to cram something down the people's throats in our usual way in the Federal Government, something they do not need, that they do not want and they cannot afford. The savings to be realized by this coin are predicated on replacing the $1 bill and that was stated repeatedly in the subcommittee hearings by the Governor of the Federal Reserve Board.

Mr. STEED. Mr. Speaker, the only good thing I see about the Susan B. Anthony coin is that it costs less than 3.3 cents' worth of metal in each of the Anthony dollars and by the time the production costs were added it was still something less than 5 cents apiece. So we made 95 cents on each one. I do not know if it will be successful, but we conveyed the message to the Treasury Department that psychologically, at least, it did not look like it was an advisable thing to do.

Mr. Speaker, the Treasury Department has made 500 million of them. If private industry did such a thing it would go bankrupt, but the Federal Government can make a mistake and come up smelling like a rose. It is possible to put 100 million of these in circulation and the people will hoard them, so we make money. It will be over the cost of producing them. We could overprint them and melt them down and make them a different size and the Federal Treasury would make money. I still try to circulate $2 bills because it would save the taxpayers' money. I also try to circulate the Susan B. Anthony dollar but I will tell you what I have to do. So I will not mix them with quarters and give them out for quarters. I have to keep them in a separate coat pocket. That might be of interest to others. I would hate to give them out for quarters and find out I have lost 75 cents on each transaction.

Mr. Speaker, I am not sure how this all will work out but in the long run I would hope that at least the Treasury will make money, and I feel they will, and keep them as souvenirs, there is a ray of hope, that they will be accepted, that we should continue to mint them...
CONGRESSIONAL RECORD—HOUSE

2635

September 26, 1979

Mr. STEED moved that the House recede from its disagreement to the amendment of the Senate numbered 18 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: "Provided, That all funds made available for official expenses shall be expended for any other purpose and any unused amount shall revert to the Treasury pursuant to section 701 of title 31 of the United States Code.

MOTION OFFERED BY MR. STEED
Mr. STEED. Mr. Speaker, I offer a motion. The Clerk read as follows:

Senate amendment No. 36: Page 11, line 14, strike out "Provided, That none of the funds made available for official expenses shall be expended for any other purpose and any unused amount shall revert to the Treasury pursuant to section 701 of title 31 of the United States Code." and insert: "Provided, That none of the funds made available for official expenses shall be considered as taxable to the President.

The motion was agreed to. The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 26: Page 11, line 14, strike out "Provided, That none of the funds made available for official expenses shall be expended for any other purpose and any unused amount shall revert to the Treasury pursuant to section 701 of title 31 of the United States Code." and insert: "Provided, That none of the funds made available for official expenses shall be considered as taxable to the President.

The motion was agreed to. The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 32: Page 15, line 12, insert: "Provided, That the functions performed by the Federal Acquisition Institute, including personnel, shall expire on September 30, 1981, except appropriations for projects as to which funds have been obligated in whole or in part prior to such date.

MOTION OFFERED BY MR. STEED
Mr. STEED. Mr. Speaker, I offer a motion. The Clerk read as follows:

Senate amendment No. 40: Page 19, line 11, insert: "Provided further, That all appropriations for direct construction projects shall expire on September 30, 1981, except appropriations for projects as to which funds have been obligated in whole or in part prior to such date.

MOTION OFFERED BY MR. STEED
Mr. STEED. Mr. Speaker, I offer a motion. The Clerk read as follows:

Senate amendment No. 42: Page 19, line 18, insert: "Provided, That appropriations

with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: "FEDERAL ELECTION COMMISSION SALARIES AND EXPENSES "For expenses necessary to carry out the provisions of the Federal Election Campaign Act Amendments of 1976, $6,646,000, of which $400,000 shall be available only for activities, including contract support, of the National Clearinghouse of the Federal Election Commission.

The motion was agreed to. The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 34: Page 18, line 10, strike out "$41,427,268,000" and insert "$41,427,388,000."

MOTION OFFERED BY MR. STEED
Mr. STEED. Mr. Speaker, I offer a motion. The Clerk read as follows:

Senate amendment No. 35: Page 18, line 11, strike out "$18,787,000." and insert "$29,380,000."

MOTION OFFERED BY MR. STEED
Mr. STEED. Mr. Speaker, I offer a motion. The Clerk read as follows:

Senate amendment No. 40: Page 20, line 8, insert: "Provided further, That all appropriations for direct construction projects shall expire on September 30, 1981, except appropriations for projects as to which funds have been obligated in whole or in part prior to such date.

MOTION OFFERED BY MR. STEED
Mr. STEED. Mr. Speaker, I offer a motion. The Clerk read as follows:

Senate amendment No. 42: Page 19, line 18, insert: "Provided, That appropriations

with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: "FEDERAL ELECTION COMMISSION SALARIES AND EXPENSES "For expenses necessary to carry out the provisions of the Federal Election Campaign Act Amendments of 1976, $6,646,000, of which $400,000 shall be available only for activities, including contract support, of the National Clearinghouse of the Federal Election Commission.

The motion was agreed to. The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 34: Page 18, line 10, strike out "$41,427,268,000" and insert "$41,427,388,000."

MOTION OFFERED BY MR. STEED
Mr. STEED. Mr. Speaker, I offer a motion. The Clerk read as follows:

Senate amendment No. 35: Page 18, line 11, strike out "$18,787,000." and insert "$29,380,000."

MOTION OFFERED BY MR. STEED
Mr. STEED. Mr. Speaker, I offer a motion. The Clerk read as follows:

Senate amendment No. 40: Page 20, line 8, insert: "Provided further, That all appropriations for direct construction projects shall expire on September 30, 1981, except appropriations for projects as to which funds have been obligated in whole or in part prior to such date.

MOTION OFFERED BY MR. STEED
Mr. STEED. Mr. Speaker, I offer a motion. The Clerk read as follows:

Senate amendment No. 42: Page 19, line 18, insert: "Provided, That appropriations

with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: "FEDERAL ELECTION COMMISSION SALARIES AND EXPENSES "For expenses necessary to carry out the provisions of the Federal Election Campaign Act Amendments of 1976, $6,646,000, of which $400,000 shall be available only for activities, including contract support, of the National Clearinghouse of the Federal Election Commission.

The motion was agreed to. The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 34: Page 18, line 10, strike out "$41,427,268,000" and insert "$41,427,388,000."

MOTION OFFERED BY MR. STEED
Mr. STEED. Mr. Speaker, I offer a motion. The Clerk read as follows:

Senate amendment No. 35: Page 18, line 11, strike out "$18,787,000." and insert "$29,380,000."

MOTION OFFERED BY MR. STEED
Mr. STEED. Mr. Speaker, I offer a motion. The Clerk read as follows:

Senate amendment No. 40: Page 20, line 8, insert: "Provided further, That all appropriations for direct construction projects shall expire on September 30, 1981, except appropriations for projects as to which funds have been obligated in whole or in part prior to such date.

MOTION OFFERED BY MR. STEED
Mr. STEED. Mr. Speaker, I offer a motion. The Clerk read as follows:

Senate amendment No. 42: Page 19, line 18, insert: "Provided, That appropriations
made to the Federal Buildings Fund for Alterations and Major Repairs shall, for projects, be limited to the amount by project shown in the budget justification therefor, except an amount not to exceed 10 percent to the extent that savings are experienced in other such projects but by not increased by an amount not to exceed 10 percent.

MOTION OFFERED BY MR. STEED

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

The motion was agreed to.

1520

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The motion was agreed to.
Senate amendment No. 70: Page 45, line 4, insert:

SEC. 616. It is the sense of the Congress that, upon the sale of the estate known as Casa-Pacifica located in Santa-Clemente, California, former President Richard M. Nixon should reimburse the United States for the original cost of any construction, renovation, improvements, equipment or articles paid for by the Federal Government of the United States, or for the amount by which they have increased the fair market value of the property, as determined by the Comptroller General of the United States, as of the date of sale, whichever is less.

MOTION OFFERED BY MR. STEED

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Steney moves that the House recede from its disagreement to the amendment of the Senate numbered 70 and concur therein.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and on the several motions was laid on the table.

GENERAL LEAVE

Mr. STEED. Mr. Speaker, I ask unanimous consent that I may be permitted to revise and extend my remarks, and include tabulations and extraneous material, and that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just under consideration and agreed to.

Mr. SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

CONFERENCE REPORT ON H.R. 3996, AMTRAK REORGANIZATION ACT OF 1979

Mr. STAGGS submitted the following conference report and statement on the bill (H.R. 3996) to amend the Rail Passenger Service Act to extend the authorization of appropriations for Amtrak for 3 additional years, and for other purposes:

CONFERENCE REPORT (H. REP. NO. 96-681)

The conference committee on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3996) to amend the Rail Passenger Service Act to extend the authorization of appropriations for Amtrak for 3 additional years, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses the following:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill 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:

TITLE I—AMTRAK REORGANIZATION

SHORT TITLE
Section 101. This title may be cited as the "Amtrak Reorganization Act of 1979"

PURPOSES

Sec. 102. Section 101 of the Rail Passenger Service Act of 1970 (45 U.S.C. 102 et seq.) is amended—

(1) by striking out the period after "Railroad Passenger Corporation" and inserting in lieu thereof the following: "; and that railroad passenger service offers significant benefits to the public in terms of national emergency or energy shortage.";

(2) by striking out the following word: "and" and inserting "in" in place thereof; and

(3) by striking out the period after "Railroad Passenger Corporation" and inserting in lieu thereof the following: "; and that railroad passenger service offers significant benefits to the public in terms of national emergency or energy shortage.";

(4) by adding at the end thereof the following new subsection:

"(b) The Congress further finds that:

(1) violation of the "10-year plan" goals for the Corporation have denied the board of directors an effective role in guiding the Corporation or in improving in any significant way the number of intercity rail passengers;

(2) uncertain goals and financial commitment have discouraged the development of effective corporate management;

(3) uncertainty arising from the lack of specific goals has made the achievement of high employee morale difficult;

(4) State participation in subsidizing intercity rail passenger service has, for the most part, been unworkable; and

(5) lack of full cooperation by the railroad industry has impeded effective system-wide operation of passenger trains by the Corporation;

(6) a greater degree of cooperation is necessary among railroads, the Corporation, States with rail systems, other transportation organizations, and suppliers of services and equipment to the Corporation in order to achieve a system wide service sufficient to justify additional expenditure of public funds.

GOALS
Sec. 103. (a) GOALS FOR AMTRAK—The Rail Passenger Service Act (45 U.S.C. 501 et seq.) is amended by redesignating section 102 as section 102A and inserting after section 102A the following new section:

"Sec. 102A. GOALS.

The Congress hereby establishes the following goals for Amtrak:

(1) Improvement of on-time performance by at least 50 percent within the three-year period beginning on the date of enactment of this section.

(2) Implementation of schedules which provide a revenue speed of at least 55 miles per hour, and which can be adhered to with a degree of reliability and passenger comfort.

(3) Improvement of the ratio of revenues to operating expenses, with the goal of covering at least 50 percent of all operating expenses, excluding depreciation, from revenues by the end of fiscal year 1982 and 50 percent by the end of fiscal year 1985.

(4) Improvement of the feasibility of State-subsidized service through the use of technical assistance panels to coordinate, plan, and implement such service.

(5) Encouragement of rail carriers to assist in improving intercity rail passenger service.

(6) General improvement of Amtrak's performance through comprehensive, systematic operational programs and employee incentives.

(b) TECHNICAL AMENDMENT.—The heading for title I of the Railroad Passenger Service Act is amended by inserting "GOALS," after "PURPOSES."

DEFINITIONS
Sec. 104. Section 103 of the Rail Passenger Service Act, as redesignated by this Act, is amended to read as follows:

"Sec. 103. DEFINITIONS.

For the purposes of this Act—

(1) "Amtrak" means the National Railroad Passenger Corporation created under title II of this Act;

(2) "Auto-ferry service" means intercity rail passenger service characteristic by transportation of automobiles or recreational vehicles and their occupants;

(3) "Avoidable loss" means the avoidable costs of providing passenger service, less revenues attributable thereto, as determined by the Interstate Commerce Commission under prohibition section 251 of title 8, United States Code.

(4) "Basic system" means (A) prior to October 1, 1978, the railroad passenger service designated by the Secretary under title II and section 403a of this Act, and (B) on and after October 1, 1978, the system of intercity rail passenger service designated by the Secretary under section 4 of the Amtrak Improvement Act of 1978.

(5) "Center" means the Performance Evaluation Center established under section 305 of this Act.

(6) "Commission" means the Interstate Commerce Commission.

(7) "Corporation" means the National Railroad Passenger Corporation created under title III of this Act.

(8) "Intercity rail passenger service" means all rail passenger service other than commuter and other short-haul service in metropolitan and suburban areas, usually provided by commuter service, vanpool service, and shuttles.

(9) "(4) Rail carrier" and "railroad" mean a person providing railroad transportation for compensation.

(10) "Railway" means a technical assistance Panel established under section 405(b) of this Act.

(11) "Title II" includes the "Secretary" or "Secretary of Transportation" or his delegate unless the context indicates otherwise.

REDUCED FARE PROGRAM
Sec. 105. Section 305(e) of the Rail Passenger Service Act (45 U.S.C. 545(e)) is amended—

(1) by inserting "(1)" immediately after "(c)"; and

(2) by adding at the end thereof the following new paragraph:

"(2) Within 90 days after the date of enactment of this paragraph, the Corporation shall establish a reduced fare program for elderly and handicapped individuals.

(3) For purposes of this paragraph—

(i) the term "elderly individual" means a person who has attained the age of 65 years;

(4) For purposes of this paragraph—

(i) the term "handicapped individual" means a person who has a physical or mental impairment which substantially limits one or more of such person's major life activities, has received periodic medical assistance, or is regarded as having such an impairment, but the term handicapped individual does not include a person who is an alcoholic or drug abuser.

OPERATIONAL IMPROVEMENT PROGRAM
Sec. 106. Section 305 of the Rail Passenger Service Act (45 U.S.C. 545) is amended by redesigning subsections as follows: (1) through (5) as subsections (g) through (k), respectively, and by inserting after subsection (e) the following new subsection:

"(6) "Secretary" means the National Railroad Passenger Corporation created under title III of this Act;
The Corporation shall not later than January 1, 1981, develop and submit to the Congress and to the President a comprehensive plan for the improvement of all intercity rail passenger service provided in the basic system. The Corporation shall commence implementation of such plan as soon as practicable after all or any portion thereof is developed. Such plan shall include—

(1) a systematic program for optimizing the ratio of train size to passenger demand;

(2) a systematic program for reducing freight loss on all trains in the basic system;

(3) establishment of training programs to achieve, as soon as practicable, the appropriate qualifications of both Houses of Congress and to the Secretary.

ADEQUACY OF SERVICE REPORTS

SEC. 111. (a) REPORTS.—Section 305 of the Rail Passenger Service Act (45 U.S.C. 545), as amended by this Act, is further amended by adding at the end thereof the following new subsection:

"(m) For purposes of assessing the operational performance of trains, the President of the Corporation shall have the authority to direct the conductor on any Amtrak train to report to the Center any inadequacy of train operation. Adequacy of service reports required under this subsection shall be signed by the conductor and contain sufficient information to locate equipment if applicable.".

APPLICABILITY OF OTHER LAWS

SEC. 112. (a) EXCEPTIONS TO APPLICABILITY.—Section 306(a) of the Rail Passenger Service Act (45 U.S.C. 546(a)), as amended by striking out the word "and" and inserting in lieu thereof "it shall be in accordance with the Route and".

(b) THROUGH ROUTES AND JOINT FARMS.—Section 306(l) (2) of the Rail Passenger Service Act (45 U.S.C. 546(l)(2)) is amended by striking out "motor carrier" and inserting in lieu thereof "any domestic or international motor, air, or water carrier".

PAY PERIODS AND QUALIFICATIONS.—Section 306 of the Rail Passenger Service Act (45 U.S.C. 546) is amended by adding at the end thereof the following new subsection:

"(i) The Corporation shall not be subject to any State or local law relating to pay periods or days for payment of employees. No employee may be paid less frequently than such employee is paid as of the effective date of this subsection, other than pursuant to appropriate bargaining agreements as follows:

(m) The Corporation shall be deemed to be qualified to do business in each State in which it performs any activity authorized under this Act. In connection with the performance of such activities, the Corporation shall accept service of process addressed by certified mail to the Secretary of the Corporation at its principal office and place of business in the District of Columbia.

The Corporation shall be deemed to be a citizen of the District of Columbia for the purposes of determining the original jurisdiction of the district courts of the United States in civil actions to which the Corporation is a party.

(n) The Corporation shall not be subject to any State or local law relating to pay periods or days for payment of employees. No employee may be paid less frequently than such employee is paid as of the effective date of this subsection, other than pursuant to appropriate bargaining agreements as follows:

(m) The Corporation shall be deemed to be qualified to do business in each State in which it performs any activity authorized under this Act. In connection with the performance of such activities, the Corporation shall accept service of process addressed by certified mail to the Secretary of the Corporation at its principal office and place of business in the District of Columbia.

The Corporation shall be deemed to be a citizen of the District of Columbia for the purposes of determining the original jurisdiction of the district courts of the United States in civil actions to which the Corporation is a party.

SEC. 115. Section 308(a) (1) of the Rail Passenger Service Act of 1970 is amended to read as follows:

"(a) Not later than the 45th day following the end of each calendar month, the Corporation shall transmit to the Congress and release to the public information applicable to its operations for such calendar month."
manner termination under this paragraph, and convene a panel if appropriate, no later than 30 days after the date such application is submitted.

"(C) Any application submitted by a group of States shall be considered in the same manner as the application of a single State, and not on the basis of whether each State that is a party to such application is a party under this paragraph (C) of this subsection.

"(3) (A) Each panel convened by the Corporation to consider an application shall be composed of:

"(i) a State rail planning official from each State that is a party to the application;

"(ii) a representative of the Corporation;

"(iii) a representative from a railroad labor organization representing operating crafts of employees.

"(B) The Corporation shall submit to each panel data projecting the solely related costs and associated capital costs of the rail service under consideration. Each panel shall, no later than 90 days after the date of such application, make recommendations to the Corporation with respect to:

"(1) appropriate measures for minimizing such costs, including measures such as:

"(i) the assumption by the applicant State or agency of certain responsibilities in connection with the operation of the service under consideration; and

"(II) a reduction in the labor costs of operating such service;

"(2) if more than one State is a party to the application, the appropriate manner for allocating such costs among the applicant States.

"(4) After taking into account the recommendations of the panel with respect to rail passenger service requested by a State or agency under this subsection, the Corporation shall enter into an agreement with such State or agency for the institution of such service, in accordance with the funding formula set forth in paragraph (1) (C) of this subsection, and the total revenue from such service.

"(5) Not more than five percent of all revenues generated by each particular route operated under the authority of this subsection shall be entitled to reimbursement for staff services in an amount equal to 1/4 percent of the operating losses and associated capital costs.

"(6) The board of directors shall establish the basis for determining the solely related costs and associated capital costs of service operation or associated capital costs, and the total revenue from such service.

"(7) The Corporation shall discontinue the operation of rail passenger service over such route.

"(8) The Route and Service Criteria shall not apply to:

"(A) decisions of the Corporation to increase or decrease the frequency of services, or to any other railroad from

"(B) rerouting of service between major population centers on existing routes or on routes where an additional frequency of service is being tested; and

"(C) any rail passenger service which is operated by the Corporation and is not provided by any railroad in the Federal intercity rail system or by any other railroad from

"(D) any rail passenger service which is operated by the Corporation on January 1, 1979, and which constitutes commuter rail passenger service as defined in paragraph (1) of this subsection shall, until April 1, 1981, continue to be operated by the Corporation and in accordance with the method of funding in effect for that service on January 1, 1979. In addition, any rail passenger service which is operated by the Consolidated Rail Corporation, (B) is the subject of an application for discontinuance filed with the Commission before July 15, 1979, and (C) constitutes commuter rail passenger service as defined in paragraph (1) of this subsection shall, until April 1, 1981, be operated by the Corporation and funded by the Corporation in the same manner as service operated under the preceding sentence.

"(3) The Corporation shall, until April 1, 1981, continue to accept commuter based fares and operate such service in accordance with the rates and schedules in effect before such date, be entitled to preference.

"(4) The Corporation shall, until April 1, 1981, continue to accept commuter based fares and operate such service in accordance with the rates and schedules in effect before such date, be entitled to preference.

"(5) The Corporation shall conduct an annual review of each line of route service in the basic system to determine if such route meets the criteria set forth in paragraph (1) of this subsection and is entitled to preference, or if such railroad is entitled to service by the Corporation, as defined in paragraph (1) (C) of this subsection, and the total revenue from such service.

"(6) The Route and Service Criteria shall not apply to:

"(A) decisions of the Corporation to increase or decrease the frequency of services, or to any other railroad from

"(B) rerouting of service between major population centers on existing routes or on routes where an additional frequency of service is being tested; and

"(C) any rail passenger service which is operated by the Corporation and is not provided by any railroad in the Federal intercity rail system or by any other railroad from

"(D) any rail passenger service which is operated by the Corporation on January 1, 1979, and which constitutes commuter rail passenger service as defined in paragraph (1) of this subsection shall, until April 1, 1981, continue to be operated by the Corporation and in accordance with the method of funding in effect for that service on January 1, 1979. In addition, any rail passenger service which is operated by the Consolidated Rail Corporation, (B) is the subject of an application for discontinuance filed with the Commission before July 15, 1979, and (C) constitutes commuter rail passenger service as defined in paragraph (1) of this subsection shall, until April 1, 1981, be operated by the Corporation and funded by the Corporation in the same manner as service operated under the preceding sentence.

"(3) The Corporation shall, until April 1, 1981, continue to accept commuter based fares and operate such service in accordance with the rates and schedules in effect before such date, be entitled to preference.
 Pursuant to section 4 of the
the Secretary pursuant to section 4, of the
The Corporation shall make its calculations under this section; and
The Corporation determines that (i) service is not maintained on any
"(ii) economic characteristics of
"(iii) increased ridership on lines of railroad connecting with such route;
"(iv) opportunities to target advertising and fares to potential classes of riders;
"(v) the feasibility of applying effective internal cost controls to a facility and the route which the facility would serve in order to attract ridership; and
"(vi) the quality of service of competitors or likely competitors;
"(vii) the likelihood of the Corporation offering service at a competitive fare;
"(viii) ridership potential by ascertainling existing travel patterns or changing travel patterns which would maximize efficiencies of railroad passenger service;
Notwithstanding any other provisions of this Act (including the requirements of section 405(f) of
The Comptroller General shall conduct a study of the free or reduced rate transportation provided to railroad employees by the National Railroad Passenger Corporation under section 405(f) of the
The Corporation shall be reimbursed for the cost of
"(iv) the provision of service over such route would encourage the expansion of a national intercity rail passenger system; and
"(v) the possibility of increased ridership on lines of railroad

"(e) (1) In order to prepare for a valid and timely analysis of a facility, after a railroad gives notice pursuant to this section that it intends to downgrade or dispose of such facility, the Corporation shall conduct a survey of population centers with railroad passenger service facilities and shall update such survey from time to time as may be necessary or appropriate. Within 90 days after the date of enactment of this section, the Corporation shall take steps to prepare a survey plan which will provide for
"(i) a target completion date for the survey of population centers of not later than 360 days after the ninetieth day after such date of enactment;
"(ii) a system of collection, compilation, and storage of information gathered pursuant to the survey according to geographic region and according to whether a facility would be a part of a short- or long-haul route system;
"(iii) the survey should facilitate an analysis of
The Corporation shall not continue to operate any route under this subsection if service is provided on a significant part of that route by any other route.

"(c) In determining whether to enter into an agreement pursuant to this section to pay a railroad the avoidable costs of maintaining or retaining a facility, the Corporation shall consider
"(1) the potential importance of restor­ ing rail passenger service on the route on which such facility is located;
"(2) the extent to which the diligence of the Corporation in connection with free or reduced rate transportation services and shall update such
"(3) The Corporation shall be reim­ bursed for the cost of
"(b) Service offered by the Corporation and projected for the fiscal year ending September 30, 1980, is not less than 80.
"(a) Service is not maintained on any long-distance route in that section under the criteria set forth in subsection (d)(1) of this section; and
"(b) The Corporation determines that (1) a long-distance route exists in that section which is shown on such map and which is consistent with the criteria, to warrant maintenance in the system.
"(2) The Corporation shall not continue to operate any route under this subsection if service is provided on a significant part of that route by any other route.
"(1) In determining whether to enter into an agreement pursuant to this section to pay a railroad the avoidable costs of maintaining or retaining a facility, the Corporation shall consider
"(2) The system of collection, compilation, and storage of information gathered pursuant to the survey according to geographic region and according to whether a facility would be a part of a short- or long-haul route system;
"(3) The survey should facilitate an analysis of
"(d)(1) In electing whether to enter into an agreement pursuant to this section to pay a railroad the avoidable costs of maintaining or retaining a facility, the Corporation shall consider
"(v) the possibility of increased ridership on lines of railroad connecting with such route;
"(vi) the quality of service of competitors or likely competitors;
"(vii) the likelihood of the Corporation offering service at a competitive fare;
"(viii) ridership potential by ascertainling existing travel patterns or changing travel patterns which would maximize efficiencies of railroad passenger service;
"(ix) the feasibility of applying effective internal cost controls to a facility and the route which the facility would serve in order to attract ridership; and
"(x) the extent to which such characteristics are consistent with the principles of short- or long-haul railroad operations;
"(y) the ability, adequacy, and energy efficiency of alternate modes or alternate rail lines for providing passenger transportation over those points which would be served by the route;
"(z) the extent to which the provision of service over such route would encourage the expansion of a national intercity rail passenger system; and
"(A) In order to prepare for a valid and timely analysis of a facility, after a railroad gives notice pursuant to this section that it intends to downgrade or dispose of such facility, the Corporation shall conduct a survey of population centers with railroad passenger service facilities and shall update such survey from time to time as may be necessary or appropriate. Within 90 days after the date of enactment of this section, the Corporation shall take steps to prepare a survey plan which will provide for
"(i) a target completion date for the survey of population centers of not later than 360 days after the ninetieth day after such date of enactment;
"(ii) a system of collection, compilation, and storage of information gathered pursuant to the survey according to geographic region and according to whether a facility would be a part of a short- or long-haul route system;
"(iii) the survey should facilitate an analysis of
"(d) In determining whether to enter into an agreement pursuant to this section to pay a railroad the avoidable costs of maintaining or retaining a facility, the Corporation shall consider
"(1) the potential importance of restor­ ing rail passenger service on the route on which such facility is located;
"(2) the extent to which the diligence of the Corporation in connection with free or reduced rate transportation services and shall update such
"(3) The Corporation shall be reim­ bursed for the cost of
"(b) Service offered by the Corporation and projected for the fiscal year ending September 30, 1980, is not less than 80.
"(a) Service is not maintained on any long-distance route in that section under the criteria set forth in subsection (d)(1) of this section; and
"(b) The Corporation determines that (1) a long-distance route exists in that section which is shown on such map and which is consistent with the criteria, to warrant maintenance in the system.
"(2) The Corporation shall not continue to operate any route under this subsection if service is provided on a significant part of that route by any other route.
"(1) In determining whether to enter into an agreement pursuant to this section to pay a railroad the avoidable costs of maintaining or retaining a facility, the Corporation shall consider
"(2) The system of collection, compilation, and storage of information gathered pursuant to the survey according to geographic region and according to whether a facility would be a part of a short- or long-haul route system;
"(3) The survey should facilitate an analysis of
"(d)(1) In electing whether to enter into an agreement pursuant to this section to pay a railroad the avoidable costs of maintaining or retaining a facility, the Corporation shall consider
"(v) the possibility of increased ridership on lines of railroad connecting with such route;
"(vi) the quality of service of competitors or likely competitors;
"(vii) the likelihood of the Corporation offering service at a competitive fare;
"(viii) ridership potential by ascertainling existing travel patterns or changing travel patterns which would maximize efficiencies of railroad passenger service;
"(ix) the feasibility of applying effective internal cost controls to a facility and the route which the facility would serve in order to attract ridership; and
"(x) the extent to which such characteristics are consistent with the principles of short- or long-haul railroad operations;
"(y) the ability, adequacy, and energy efficiency of alternate modes or alternate rail lines for providing passenger transportation over those points which would be served by the route;
"(z) the extent to which the provision of service over such route would encourage the expansion of a national intercity rail passenger system; and
"(A) In order to prepare for a valid and timely analysis of a facility, after a railroad gives notice pursuant to this section that it intends to downgrade or dispose of such facility, the Corporation shall conduct a survey of population centers with railroad passenger service facilities and shall update such survey from time to time as may be necessary or appropriate. Within 90 days after the date of enactment of this section, the Corporation shall take steps to prepare a survey plan which will provide for
"(i) a target completion date for the survey of population centers of not later than 360 days after the ninetieth day after such date of enactment;
"(ii) a system of collection, compilation, and storage of information gathered pursuant to the survey according to geographic region and according to whether a facility would be a part of a short- or long-haul route system;
"(iii) the survey should facilitate an analysis of
"(d) In determining whether to enter into an agreement pursuant to this section to pay a railroad the avoidable costs of maintaining or retaining a facility, the Corporation shall consider
"(1) the potential importance of restor­ ing rail passenger service on the route on which such facility is located;
"(2) the extent to which the diligence of the Corporation in connection with free or reduced rate transportation services and shall update such
"(3) The Corporation shall be reim­ bursed for the cost of
"(b) Service offered by the Corporation and projected for the fiscal year ending September 30, 1980, is not less than 80.
"(a) Service is not maintained on any long-distance route in that section under the criteria set forth in subsection (d)(1) of this section; and
"(b) The Corporation determines that (1) a long-distance route exists in that section which is shown on such map and which is consistent with the criteria, to warrant maintenance in the system.
"(2) The Corporation shall not continue to operate any route under this subsection if service is provided on a significant part of that route by any other route.
"(1) In determining whether to enter into an agreement pursuant to this section to pay a railroad the avoidable costs of maintaining or retaining a facility, the Corporation shall consider
"(2) The system of collection, compilation, and storage of information gathered pursuant to the survey according to geographic region and according to whether a facility would be a part of a short- or long-haul route system;
"(3) The survey should facilitate an analysis of
"(d)(1) In electing whether to enter into an agreement pursuant to this section to pay a railroad the avoidable costs of maintaining or retaining a facility, the Corporation shall consider
"(v) the possibility of increased ridership on lines of railroad connecting with such route;
"(vi) the quality of service of competitors or likely competitors;
"(vii) the likelihood of the Corporation offering service at a competitive fare;
"(viii) ridership potential by ascertainling existing travel patterns or changing travel patterns which would maximize efficiencies of railroad passenger service;
"(ix) the feasibility of applying effective internal cost controls to a facility and the route which the facility would serve in order to attract ridership; and
"(x) the extent to which such characteristics are consistent with the principles of short- or long-haul railroad operations;
"(y) the ability, adequacy, and energy efficiency of alternate modes or alternate rail lines for providing passenger transportation over those points which would be served by the route;
September 26, 1979

CONGRESSIONAL RECORD—HOUSE

26361

track, structure, and equipment and depre-

(e) For purposes of this section—

(1) the term ‘facilities’ means railroad

[...]

...not to exceed 

...is located;

...relieving a railroad from compliance with

...to operate over the route on which such

...crease the time required for

...ties under section...

...be available for the cost of Model Programs:

...fiscal year ending September

...for the retention and maintenance of facili­

...for labor protection payments are made shall

...is equivalent or improved

...employee to the Corporation of appropri­

...advisability of relieving the Corporation.

...Consideration of the Secretary's recomenda­

...that the Corporation be operated and managed as a for-profit cor­

...the certainty that the Corporation will need substantial Federal subsidies for

...and the benefit to States and localities of

...the Nation maintaining an efficient and reliable national rail transpor­

...REVENUE REPORT

...the end thereof (the following new section):...
whole or in part and over other feasible exist­
ing routes, without reference to the Route
and Service Criteria. Substitute service pro­
vided over an existing route under the street
graph shall continue to be operated after October 1, 1981, only if such route meets the criteria in section 404(d) of the Rail
Passenger Service Act, as adjusted to re­
reflect constant 1979 dollars; but expecting
any short haul route concentrating on com­
muter rail service.

INTERMEDIATE TERMINAL PROGRAM
Sec. 129. The first sentence of section 4(1)
(5) of the Department of Transportation Act
(49 U.S.C. 1530) is amended by strik­
ing out "within two years following the appro­
val of the application for Federal financial assistance under this subsection" and insert­
ing in lieu thereof "within such time period as the Secretary establishes".

SECTOR LIMITATION
Sec. 129. Within 180 days after the effective
date of this Act, the Comptroller General
shall submit a report to the Congress rec­
commending appropriate means for the Na­
tional Railroad Passenger Corporation to
eliminate the obligations of the Corporation
that are guaranteed under section 506 of the
Rail Passenger Service Act. In developing
such recommendations, the Comptroller Gen­
eral shall consider the feasibility of in­
verting such obligations into stock issued by
the Corporation, (2) the likelihood of obli­
gation inaction by the Corporation, (3) the
ability of the Corporation to continue to carry
its debt service within the context of operating
subsidies, fairly and acc­
urately reflecting current operating costs, and
(4) the extent to which debt incurred by the
Corporation prior to the effective date of
this Act should be recognized as un­
coverable.

SERVICE ON PORTION OR SEGMENT OF
EXISTING ROUTES
Sec. 130. The National Railroad Passenger
Corporation shall conduct an evaluation of
the possibility of providing rail passenger
service on a portion or segment of any route
over which service is discontinued on or after
October 1, 1979. Such evaluation shall include
an examination of the potential market de­
mand for rail passenger service over a por­
tion or segment of any such discontinued
route, and the cost of providing such serv­
cice. The report shall, no later than February 15, 1980, submit a report to both
Houses of the Congress and to the Secretary of
Transportation setting forth its findings
under this section.

MAIL AND EXPRESS REVENUES
Sec. 131. The National Railroad Passenger
Corporation shall not provide any service to
the United States Postal Service, determine
those mail transportation requirements which
may be met by the Corporation, and shall de­
velop and submit to the Congress, no later than April 30, 1980, a report setting forth recommendations designed to enable
the Corporation to achieve maximum levels
of mail carriage and revenues derived from
such carriage. Such report shall include the
following: (1) the modification of existing fac­
tilities to handle mail and express more effi­
ciently; (2) the leasing, subletting, rental, or
handling equipment and rolling stock;
(3) optimum scheduling;
(4) trains devoted exclusively to mail car­
rriage; and
(5) staffing and promotional requirements;
and
(6) proposals for such legislative action as
may be appropriate.

AMTRAK ROUTE ALLOCATION STUDY
Sec. 132. (a) COST ALLOCATION REPORT.—(1)
Not later than April 15, 1980, the Com­
mission of the National Railroad Passen­
genger Corporation shall submit a report to the Congress
on the feasibility of establishing a system of
uniform cost allocation for the Corporation
which would include—
(A) the revenue produced by route;
(B) the revenue (including mail and
State subsidies, if any) by route;
(C) the fully allocated cost by route;
(D) the number of passengers carried by
route;
(E) the avoidable profit or loss by route;
(F) the fully allocated profit or loss by
route;
(G) the profit or loss per passenger by
route; and
(H) the profit or loss by revenue passenger
mile.
(2) For the purposes of this section, the
term—
(A) "avoidable profit or loss means the
result of all revenue attributable to a route
minus all reasonable and necessary expenses
(including use of tracks and other facilities)
which would be incurred by a carrier in pro­
viding a service which the carrier can estab­
lish that it would not incur if such service
were not operated, and all services were
continued; such costs shall be restricted to
costs solely related to the service and variable
portion of common costs which would not be
incurred but for the existence of the service;
such costs shall exclude fixed com­
mon costs, allocation of any common costs
which do not result in consequence of pro­
viding the service, return of investment,
rent, and any other costs which the carrier
cannot establish that it would not have
reasonably and necessarily incurred but for
the existence of the service.
(B) "fully allocated profit or loss means
the avoidable profit or loss, excluding all un­
calculated costs, allocated to a route
according to the Corporation's current ac­
counting system.
(C) "unallocated costs means those cor­
porate interest, general, and administrative
costs not assigned to particular routes.
(b) Profit and Loss Report.—(1) The
Corporation shall prepare and submit to the
Committee on Commerce, Science, and
Transportation and the Committee on
Appropriations of the Senate and the Com­
mittee on Foreign Commerce and the Com­
mittee on Appropriations of the House of
Representatives not later than April 30, 1980, a report containing:
(A) a program for the upcoming fiscal year, assuming a 50
percent Government reimbursement of the
fully allocated losses experienced by each
such route; and
(B) the average ticket subsidy required to show a systemwide public service profit
together with the subsidy required by
Government reimbursement) for the upcoming
fiscal year.
(2) Such reports shall be based on the best possible data available to the
Corporation including, but not limited to, histori­
tical ridership trends, marketing studies,
general economic conditions, market prices, pol­
cies, levels of services and equipment
availability among other factors.
(3) For the purposes of this section, the
term "public service profit means the profit
or loss experienced on each route after the
tax and insurance premiums (Gover­
ment reimbursement) are added to such route's revenues.

TITLES II—AMENDMENTS TO THE
REGIONAL RAIL REORGANIZATION ACT
OF 1973

AUTHORIZATION OF APPROPRIATIONS
Sec. 201. Section 214(c) of the Regional
Rail Reorganization Act of 1973 (45 U.S.C.
754(c)) is amended by adding at the end ther­
of the following:
"(c) ASSOCIATION.—For the fiscal year
ending September 30, 1980, there are au­
thorized for the purpose of carrying out the
administrative expenses under this Act such
sums as are necessary, not to exceed $28-
500,000. Sums appropriated under this sub­
section are authorized to remain available
until expended."

REPORT ON SPECIAL COURT Proceedings
Sec. 202. Section 202(e) of the Regional
Rail Reorganization Act of 1973 (45 U.S.C.
712(e)) is amended by adding at the end ther­
of the following:
"(3) The Association shall transmit to the
Congress, no later than 30 days after the end
of each fiscal year, and with respect to the
proceedings before the special court to
determine the valuation of rail properties
conveyed to the Corporation under section
303 of this Act. Each such report shall
include—
(a) A detailed accounting of the Federal
funds expended during such quarter in con­
nection with such proceedings, and the
portion for which such funds were ex­
pended;
(b) An explanation of the status of such
proceedings, including the prospects for
settlement or conclusion; and
(c) An identification of which responsi­
ibilities in connection with such proceedings
are not yet incurred by the Corporation or
association, and which are being carried out
by contract with private organizations."

TRANSFER OF FUNCTIONS; MONITORING
Sec. 203. Section 302(g) of the Regional
Rail Reorganization Act of 1973 (45 U.S.C.
712) is amended by adding at the end there­
of the following:
"(h) TRANSFER OF LITIGATION.—No later
than March 1, 1980, the Association and the
Attorney General of the United States shall
submit a study for the transfer, to the appro­
priate department or agency of the Federal
Government, of all responsibilities for repre­
senting the United States in the proceedings
before the special court to determine the val­
uation of rail properties conveyed to the
Corporation under section 303 of this Act.
(1) TRANSFER OF OTHER FUNCTIONS.—No
later than March 1, 1980, the Association
and the Secretary of Transportation shall
develop and submit to the Congress a fea­
sibility study for the transfer of all functions
of the Association, other than those referred
to in subsection (h) of this section, to the
appropriate department or agency of the Fed­
eral Government, including those functions
which will no longer be nec­

SPECIAL MONITORING OF CONTRACTORS.—The
Board of Directors of the Association shall
enter into contracts with the General Services
Administration
SEC. 204. (a) PAYMENT OF PREMIUMS
AND BENEFITS.—Section 303(b)(6) of the
Regional Rail Reorganization Act of 1973
(45 U.S.C. 743(b)(6)) is amended by adding at
the end thereof the following:
"(6) INSURANCE COVERAGE.
September 26, 1979

Congressional Record—House

26363

TITLe IV—AMENDMENTS TO THE RAILROAD REVITALIZATION AND REGULATORY REFORM ACT OF 1976

EXTENSION OF FINANCIAL ASSISTANCE PROGRAM

Sec. 601. Sections 505(e), 507(a), 507(d), and 606 of title 49, United States Code, are amended to read as follows:

TITLE V—EFFECTIVE DATES

Sec. 501. (a) Except as provided in subsection (b), the provisions of this Act shall take effect on October 1, 1979.

(b) The amendments made by section 204 of this Act shall be effective as of the date of enactment of Public Law 95–597.

And the Senate agrees to the same.

Harley O. Staggers,

J. J. Florio,

Jim Santini,

Barbara A. Mikulski,

John M. Murtha,

Marty Russo,

Edward H. Madedian,

Gail A. Huff.

Managers on the Part of the Senate.

Howard W. Cannon,

Russell B. Long,

Patric P. Henry,

J. J. Eson,

Bob Packwood,

Harry F. Schwarz.

Nancy Kassebaum.

Managers on the Part of the Senate.

Joint Explanatory Statement of the 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 amendments of the Senate to the bill (H.R. 3996) to amend the Rail Passenger Service Act to extend the authorization of appropriations for Amtrak for three additional years, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the agreement upon the managers and recommended in the accompanying conference report:

The Senate amendment to the text of the bill 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 conferences, and minor drafting and clarifying changes.

Title I—Amtrak Reorganization

Short Title (Sec. 101)

Senate amendment

The Senate amendment provides that this legislation may be cited as the "Amtrak Improvement Act of 1979."

House bill

The House bill provides that this legislation may be cited as the "Amtrak Reorganization Act of 1979."

Conference substitute

The conference substitute is the same as the House bill.

Purposes (Sec. 102)

Senate amendment

No provision.

House bill

This section provides Amtrak management with clearly defined goals and provides the public with reasonable expectations from Amtrak.

Conference substitute

The conference substitute is the same as the House bill, except that the House provision of 60 miles per hour was changed to 65.

Definitions (Sec. 104)

House bill

Section 104 of the House bill amended the Rail Passenger Service Act by adding certain new definitions thereto and alphabetizing the definitions in the amended section.

Senate amendment

Section 2 of the Senate amendment amended the Rail Passenger Service Act by adding certain new definitions thereto.

Conference substitute

The conference substitute substantially follows the House bill. However, the definition of the term "Basic System" is clarified by the conference substitute. The revised definition clearly incorporates in the Basic System all of the changes in Amtrak's national system of service confirmed or affected by this legislation in order that Amtrak not be required to operate service under the administrative burden of a multi-tiered Basic System.

Mail Service

House bill

The House bill allows Amtrak to provide dedicated mail service.

Senate bill

No similar provision.

Conference substitute

House recedes.

Reduced Fare Program (Sec. 105)

House bill

Section 106 of the House Bill gave Amtrak the discretionary authority to establish a reduced fare program for the elderly and handicapped. If Amtrak chose to establish the program, the fares were not to exceed 50% of the regular fare on a standby basis or 75% of the regular fare on a reservation basis.

Senate amendment

Section 21 of the Senate bill required Amtrak to establish a reduced fare program for the elderly and handicapped. Further, the amendment required that the reduced fare should not exceed "75% of the regular fare for such service." Section 22 of the Senate bill required Amtrak to develop a study on the efficacy of a reduced fare program for the elderly and the handicapped. Section 33 provided that the Federal Railroad Administration would reimburse Amtrak in an amount equal to the difference between the full fare and the reduced fares for the elderly and handicapped individuals up to $4.5 million per fiscal year through FY 1981.
Conference substitute

The House bill mandates that the Corporation shall establish a comprehensive plan for the improvement of all intercity rail passenger service provided in the basic system not later than January 1, 1981.

Conference substitute

The Conference substitute is the same as the House bill. The Conference substitute does, however, delete that portion of the Senate Amendment which specified the minimum fiscal year. In taking such action, the conferees do not intend to deprive Amtrak of reasonable management discretion to implement and operate the program. Senate substitute is the study provided in Sec. 23 and on the reimbursement program provided in section 23 of the Senate bill.

OPERATIONAL IMPROVEMENT PROGRAM (SEC. 108)

Senate amendment

No provision.

House bill

The House bill mandates that the Corporation shall establish a comprehensive plan for the improvement of all intercity rail passenger service provided in the basic system not later than January 1, 1981.

Conference substitute

The Conference substitute is the same as the House bill. The conferees agreed that the corporation needs to focus its operational objectives and Congress needs to be provided with the Corporation's analysis and evaluation in a timely manner so as to adequately prepare for the next authorization cycle.

REGIONAL MAINTENANCE PLAN (SEC. 107)

Senate amendment

No provision.

House bill

The House bill mandates the establishment of a systematic, comprehensive, regional maintenance plan not later than January 1, 1980, which includes the establishment of a preventative maintenance program.

Conference substitute

The Conference substitute is the same as the House bill. One of the most significant problems affecting Amtrak's performance is the poor condition of its equipment. This provision contemplates the reduction of the high maintenance costs now plaguing Amtrak, as well as upgrading the poor condition of Amtrak's equipment.

RAILROAD POLICE (SEC. 108)

Senate amendment

The Senate amendment strikes the term "security guard" each place it appears and substitutes "railroad police."

House bill

The House bill strikes the term "security guards" and "Security guards" each place it appears and substitutes "railroad police" and "Railroad police" respectively.

Conference substitute

The Conference substitute is the same as the House bill.

BUY AMERICA PROTECTION (SEC. 109)

House bill

Section 132 of the House bill provided for the expansion of the Secretary's authority to waive the Buy American provision of the Rail Passenger Service Act to include the purchase of rolling stock and motive power if such equipment cannot be purchased and delivered within the U.S. in a reasonable time.

Senate amendment

No provision.

Conference substitute

The Senate amendment modifies the language of the House bill to allow the Secretary of Transportation, in consultation with the President, to waive the Buy American provisions of the Buy-American Act of 1933 provided that such waiver is not inconsistent with the national interest. The amendment also extends the waiver to include locomotives and materials.

Conference substitute

The Conference substitute is the same as the House bill.
Senate amendment
The Senate amendment was similar in many respects, but did not provide for the establishment of Technical Assistance Panels and allowed for the possibility of capital costs unchanged at 50 percent. The Senate amendment also provided for a State share of service deleted from the basic system. The Senate amendment also provided for use of five percent of revenues generated by 403(b) service on advertising and promotion of such service on a local level.

Conference substitute
The conference substitute generally follows the House bill in several features of the Senate amendment. The conference substitute retains the House concept of Technical Assistance Panels, but leaves the state share of capital costs at 50 percent, provides for preference for a State proposal for a service deleted from the basic system, and provides that not more than five percent of revenues shall be dedicated to advertising and promotion of such service on a local level.

Service Changes (Sec. 116)
Section 117 of the House bill is a technical amendment to the Rail Passenger Service Act. Senate amendment
No similar provision.

Conference substitute
Senate recedes.

Application of Route and Service Criteria (Sec. 118)
House bill
Section 118 of the House bill amended the Rail Passenger Service Act to provide for annual review by Amtrak of each long-distance route in the basic system to determine whether the route met certain economic criteria established elsewhere in the bill.

If Amtrak determines that a long-distance route fails to meet such criteria, the route and service on such route to be applied for an evaluation of the route.

The House bill also provided that annual reviews conducted by Amtrak shall include an evaluation of segments of long-distance routes and alternative routings and required Amtrak to submit to Congress the results of the annual review to Congress and the Secretary of Transportation.

Senate amendment
No provision.

Conference substitute
The Conference substitute is the same as the House bill, with a technical amendment. The annual review provision is intended to apply only to routes which have been designated as long-distance or long haul routes. The Conferences are aware that the Route and Service Criteria have not functioned as originally intended by the Congress and direct Amtrak to submit to Congress recommendations for new Route and Service Criteria.

Such recommendations shall include appropriate economic criteria that represent a fair method of estimation in performance and potential of individual trains.

Exemptions to Applicability of Route and Service Criteria (Sec. 118)
House bill
Section 119 of the House bill amended the Rail Passenger Service Act to provide that the Route and Service Criteria shall not apply to certain routes, including service to incipient cities and to increases in frequency of service to or rerouting of service between major population centers on existing routes. The provision was intended to give Amtrak appropriate flexibility to make reasonable service modifications without applying the Route and Service Criteria.

Senate amendment
No provision.

Conference substitute
The conference substitute is the same as the House bill.

Additional Qualifying Routes (Sec. 119)
House bill
Section 120 of the House bill amended the Rail Passenger Service Act to require Amtrak, where reductions in operating expenses are possible as a result of operating over any long-distance or short-distance route recommended for discontinuance by the Secretary of Transportation if the route meets certain specified criteria, based on projected FY 1980 performance. If a quadrant of the nation did not qualify for a long-distance criteria train, the House bill provided a long-distance train must be added to that quadrant in order to preserve regional balance. Such route would be required to qualify under the criteria, computed with an inflation factor, for continued operation after October 1, 1981.

The House bill also required operation of the Inter-American train to the Mexican border if it justifies for continued operation, and required operation of service beyond Tampa to St. Petersburg.

Senate amendment
The Senate amendment was substantially similar to that of the House; it did not include reference to St. Petersburg service or service to the Mexican border. The Senate amendment also contained a provision authorizing Amtrak to operate short-haul demonstrations on routes of 200 miles or less which link two or more major metropolitan areas.

Conference substitute
The Conference substitute is the same as the House bill, but also includes the Senate provision relating to short-haul demonstration trains.

The Conference intend that Amtrak have flexibility for all trains qualifying for continued operation under this provision to restructure routes through major metropolitan areas to attract additional ridership.

Free or Reduced Rate Transportation of Railroad Employees (Sec. 120)
House bill
Section 120 amends the Rail Passenger Service Act to provide that unless Amtrak and a private railroad agree otherwise, Amtrak shall reimburse the railroad for free or reduced-rate transportation of eligible railroad employees at the rate of 50 percent of the system-wide average monthly yield per revenue passenger mile.

Senate amendment
No similar provision.

Conference substitute
Conferences agree that, absent any new agreement between the Corporation and a private railroad to the contrary, Amtrak shall reimburse the railroad at the rate of 25 percent of the system-wide average monthly yield per revenue passenger mile through October 1, 1981. New Section 120(a) further provides that after that date, nothing in this provision shall preclude the ICC from ordering retroactive relief in any new or existing proceeding.

Further, the Conferences agree that the General Accounting Office shall conduct a study of the railroad employee fare program and report to Congress and the ICC within 180 days of the date of this recommendation to reimburse Amtrak for the cost of providing such transportation services.

Reimbursement and Maintenance of Facilities (Sec. 121)
House bill
Section 121 amends the Rail Passenger Service Act to require Amtrak prior to downgrading or disposing of tracks or facilities formerly used in passenger service, which is discontinued pursuant to the recommendations of the Corporation. Amtrak is required to prepare a survey plan of population centers with affected tracks or facilities for retention or maintenance. If, after considering certain criteria, Amtrak desires to acquire such tracks or facilities and a satisfactory agreement with the railroad cannot be reached within 60 days, the railroad must apply to the Secretary, who must determine the avoidable costs to the railroads of such acquisition or preservation. If Amtrak does not agree within 60 days of the such costs, the Secretary must approve the railroad's request. Separate authorizations of $3 million for each of FY 1980–82 are provided for this purpose.

Senate amendment
Section 17 of the Senate bill is identical to Section 121 of the House bill, however, it is not accompanied by a $3 million separate authorization for capital costs of the 1980–82

Conference substitute
The House recedes on the separate authorization through FY 1982. The Conferences agree that Amtrak shall recover from its capital account up to $3 million level for each fiscal year through FY 1983 at the discretion of the Board of Directors.

Authority of Appropriations (Sec. 122)
Senate amendment
The Senate amendment provides for a two-year authorization. It included the payment of operating expenses of the basic system, of subsidiary service trains and commuter service trains and capital costs of the basic system. It authorized $375,300,000 for fiscal year 1980, and $665,000,000 for fiscal year 1981. For the payment of capital costs, in the discretion of the Corporation, it authorized $176,000,000 for fiscal year 1980, and $229,000,000 for fiscal year 1981. For labor protection payments required pursuant to section 406 of the Rail Passenger Service Act it authorized $50,000,000 for fiscal year 1980 and $50,000,000 for fiscal year 1981. Any sums remaining from labor protection payments were to be made available for the payment of operating expenses of the basic system, commuter service trains and substitute service trains and capital costs of the basic system. For the payment of operating and capital expenses pursuant to section 406 of the Rail Passenger Service Act, it authorized $40,000,000 for each of the fiscal years 1980 and 1981. For labor protection payments required pursuant to section 602 of the Rail Passenger Service Act it authorized $25,000,000 in the fiscal years 1980 and 1981.

The Senate amendment also provided that capital grants be paid to the Corporation in each fiscal quarter so that such grants might be used by the Corporation to temporary reduction of outstanding loan balances, including loans guaranteed by the Secretary pursuant to section 406 of the Rail Service Passenger Act.

House bill
The House bill provides for a three-year authorization. It included operating expenses of the basic system, commuter service trains and substitute service trains and capital costs of the basic system. It authorized $527,000,000 for fiscal year 1980, $591,000,000 for fiscal year 1981, and $592,000,000 for fiscal year 1982. For labor protection payments required pursuant to section 406 of the Rail Passenger Service Act, it authorized $50,000,000 in the fiscal years 1980 and 1981.
The Conference substitute directs that for fiscal year 1981, for the payment of operating expenses, it authorized $50,000,000 for fiscal year 1980, $52,000,000 for fiscal year 1981, and $55,000,000 for fiscal year 1982. For the payment of operating expenses on all routes in the basic system, including the retention and payment of operating funds to operate the mandated system and to effectively focus its efforts in a cost-effective manner.

The Conference substitute directs that for operating expenses, the Corporation be authorized $680,000,000 in fiscal year 1980, and $674,000,000 in fiscal year 1981. It further directs that not less than $1,200,000 and not less than $1,000,000 of the operating expenses be allocated to model programs in fiscal years 1980 and 1981 respectively.

The Conference substitute directs that for capital costs, including the retention and maintenance of facilities under section 406 of the Rail Passenger Service Act, the Corporation be authorized $250,000,000 for fiscal year 1980, $245,000,000 for fiscal year 1981, and $264,000,000 for fiscal year 1982.

For labor protection payments pursuant to section 408 of the Rail Passenger Service Act, the Conference substitute directs that $30,000,000 be authorized in fiscal year 1980, $30,000,000 in fiscal year 1981, and $20,000,000 in fiscal year 1982. The conference adopt the Senate provision which permits the Corporation to use surplus funds under this section for either operating or capital expenses.

For payment of the principal of obligations pursuant to section 403 of the Rail Passenger Service Act, the Conference substitute directs that $25,000,000 be authorized for each of the fiscal years 1980, 1981, and 1982.

The Conference substitute directs that Amtrak, in carrying out its responsibilities under section 402 of the Rail Passenger Service Act, which allows the Corporation to use its quarterly capital grants for the temporary reduction of operating expenses, shall be authorized to use surplus funds to the extent such funds are needed for the other categories so that Amtrak will include in the revenue report, for Amtrak to assist in job placement, and for labor protection payments pursuant to section 408 of the Rail Passenger Service Act, the Conference substitute follows the Senate amendment but the language which permitted but did not require Amtrak to operate substitute service described above after October 1, 1981, only if the route meets certain economic and ridership criteria.

The Conference substitute follows the Senate amendment but the language "ratio of revenue to total expenses" is changed to read "ratio of revenue to operating expenses". The Conference substitute follows the Senate amendment but the language "ratio of revenue to total expenses" is changed to read "ratio of revenue to operating expenses". The Conference substitute follows the Senate amendment but the language "ratio of revenue to total expenses" is changed to read "ratio of revenue to operating expenses". The Conference substitute follows the Senate amendment but the language "ratio of revenue to total expenses" is changed to read "ratio of revenue to operating expenses".

The Conference substitute follows the Senate amendment but the language "ratio of revenue to total expenses" is changed to read "ratio of revenue to operating expenses". The Conference substitute follows the Senate amendment but the language "ratio of revenue to total expenses" is changed to read "ratio of revenue to operating expenses".
If such service can be routed through metropolitan areas affording greater potential ridership and allowing running times which may warrant such service, then any assessment for performance should be based on a full year of operation.

INTERMODAL TERMINAL PROGRAM (SEC. 126)

**Senate amendment**

The Senate amendment has a very similar provision in its bill.

**House bill**

The House bill altered the requirement under section 41(1)(5) of the Department of Transportation Act, which mandates that designs and plans for intermodal facilities under this provision must be completed in two years. The House bill granted the Secretary the authority to establish the proper time-frame for such designs and plans.

**Conference substitute**

The Conference substitute adopts the House version.

GAS STUDY OF DEBT ELIMINATION (SEC. 129)

**House bill**

Section 105 of the House bill provided for substitution of preferred shares of stock in the Corporation for its outstanding debt owed to the United States.

**Senate amendment**

No comparable provision.

**Conference substitute**

The conference substitute is the requirement of a study to be done by the Comptroller General and supplied to the Congress within 90 days of the date of enactment for the purpose of ascertaining the best way for the Corporation to be relieved of its debt obligations. The debt obligations of the Corporation were, for the most part, incurred prior to 1973 before Congress converted the financing of the Corporation's capital program from loans to the Government. The unintended effect of the present debt is to add a large interest expense to the Corporation's operating expenses thereby creating the anomaly of the Federal Government having to appropriate additional money for Amtrak in order to service a debt held by the United States. The report by the Comptroller General must consider a number of methods for eliminating the debt to serve the best interests of the Corporation and the United States.

SERVICE ON PORTION OR SEGMENT OF DISCONTINUED ROUTES (SEC. 130)

**House bill**

Section 131 provided that Amtrak should conduct an evaluation of the possibility of restoring service to routes or portions of routes over which service is discontinued after October 1, 1979. The Corporation is required to report its findings to the Congress and to the Secretary of Transportation no later than February 15, 1980.

**Senate amendment**

Section 131 of the Senate bill required a similar review. However, the Senate counterpart specified the detailed information required for each route studied.

**Conference substitute**

Conferences adopt the House provision.

MAIL AND EXPRESS REVENUES (SEC. 131)

**House bill**

Section 107 of the House bill amended the Rail Passenger Service Act to authorize Amtrak to operate a private mail and express service, which may warrant such service. Section 133 of the House bill provided for a detailed determination by Amtrak in conjunction with the United States Postal Service, of those mail transportation requirements which can be met by Amtrak. The Conference substitute also required Amtrak to operate and the Senate amendment was required to submit to Congress by March 31, 1980, a five-year plan to achieve maximum levels of mail and express travel which will maximize revenues from such traffic. Following submission of the plan, an advisory group on plan implementation was to be established.

**Senate amendment**

No provisions.

**Conference substitute**

The House recedes on section 107 of its bill. Under existing law, Amtrak is required to take such actions as may be necessary to increase its revenues from the carriage of mail and express. The Conference substitute, therefore, grants Amtrak the authority under existing law to undertake operations involving carriage of mail which will improve its financial performance and urge Amtrak to institute any such carriage which it determines will provide a positive financial result.

**REPORT ON SPECIAL COURT PROCEEDINGS (SEC. 202)**

**House bill**

The House bill required the Attorney General and the Association to develop and submit to the Congress a plan for the transfer of all functions of the Association to the Department of Transportation. The Conference substitute is the same as the House provision.

**TRANSFER OF FUNCTIONS; MONITORING (SEC. 203)**

**House bill**

The House bill required the Attorney General and the Association to develop and submit to the Congress a plan for the transfer of all functions of the Association to the Department of Transportation. The Conference substitute is the same as the House provision.

**INSURANCE COVERAGE (SEC. 204)**

**House bill**

Section 204 of the House bill would amend section 203(b)(6)(B) of the Regional Rail Reorganization Act of 1973 to make a number of changes in the retiree health and life insurance programs. Text of that section, including the placing of limitations on the maximum amount of life insurance to be provided for retirees and clarifying that the costs of section 211(h) loan funding of the pre-conversion retiree life and health insurance premiums and benefits of railroads in reorganization are deemed to be expenses of administration of the respective railroads in reorganization and successor corporations.

**Senate amendment**

No provision.

**Conference substitute**

The conference substitute is the same as the House provision.
AUTHORIZATION OF APPROPRIATIONS (SEC. 301)

Section shall be deemed to be part of their

from other sources at a reasonable cost if

in insurance coverage shall be deemed to

employers’ accident or health plan.

The Office was intended to provide

lic

eeed to be part of their employers’ accident or health plan.

TITLIII—OFFICE OF RAIL PUBLIC COUNSEL

AUTHORIZATION OF APPROPRIATIONS (SEC. 301)

The House bill provided an authorization of $1,850,000 for the fiscal year ending September 30, 1980.

Senate amendment

No provision. However, separate legislation, S. 448 was passed by the Senate and pending before the House at the time of this conference. This separate legislation would have authorized $500,000 to the Office of Rail Public Counsel and eliminated the Office at the end of fiscal year 1980.

Conference substitute

The conference substitute provides $1,200,000 for the Office of Rail Public Counsel, but serious questions about the effectiveness of the Office have been raised. The Office was intended to provide assistance and representation to those involved in rail matters before the Commission who lacked the resources or expertise to represent themselves, not to be a policy arm of the Commission.

The conference substitute provides that during the next year the Office should conduct its activities in accordance with the statutory mandate.

TITLIV—AMENDMENTS TO THE RAILROAD REVITALIZATION AND REGULATORY REFORM ACT OF 1976

House bill

Section 401 of the House Bill would have made funds under the Railroad Revitalization and Regulatory Reform Act of 1976 redeemable preference share program available to a greater number of railroads by permitting an applicant railroad need not show that funds are not available from other sources at a reasonable cost if the project to be undertaken results in a significant restructuring.

Senate amendment

No Senate provision.

Conference substitute

The House reeded. The Conferences agreed that it was inappropriate to amend the Title V to program to effect a redirection of the program at this time. The Conferences noted that the original intent of the Title V program was to provide Federal assistance to those marginal railroads which, because of their precarious financial condition, could not secure monies from commercial lending institutions. Because Title V financial assistance is limited to rehabilitation and improvement of existing rail facilities and can only be used for limited new construction as part of a rehabilitation or improvement project, it is incorrect to believe that the purpose of the existing program to make Title V assistance available for projects not directly related to rehabilitation or improvement of the existing railroad system.

The Conferences agreed not to recommend any amendment that would prejudice that original intent by broadening the program to allow for healthy railroads to participate in a limited Federal assistance program. Use of Title V financial assistance in such a fashion might deprive marginal railroads, such as the Milwaukee Road, of Federal assistance vitally needed for rehabilitation and improvement projects. However, in declining to expand the scope of Rehabilitation and Improvement Projects the Conferences wish to point out that their current decision should not prejudice consideration of expanding the program during deliberations on future legislation.

EXTENSION OF FINANCIAL ASSISTANCE PROGRAM (SEC. 402)

House bill


Senate amendment

Similar provision.

Conference substitute

The conference substitute is the same as the House Bill except that "section 402" is changed to read "section 401".

TITLE V—EFFECTIVE DATES

House bill

Technical amendments.

Senate bill

No similar provision.

Conference substitute

Senate receded.


MAKING IN ORDER CONSIDERATION OF CONFERENCE REPORT ON H.R. 3996, THE RAILROAD REVITALIZATION AND REGULATORY REFORM ACT OF 1979, ON THURSDAY OR FRIDAY OF THIS WEEK

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that it may be in order for the House to consider the conference report on the bill (H.R. 3996) to amend the Rail Passenger Service Act to extend the authorization of appropriations for Amtrak for 3 additional years, and for other purposes, on either tomorrow or the next day at whatever may be the appropriate time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

WAIVING CERTAIN POINTS OF ORDER AGAINST H.R. 5359, DEPARTMENT OF DEFENSE APPROPRIATIONS, 1980

Mr. ZEFERETTI. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 426 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved. That during the consideration of the bill (H.R. 5359) making appropriations for the Department of Defense for the fiscal year ending September 30, 1980, and for other purposes, all points of order against said bill for failure to comply with the provisions of clause 6, rule XXI, are hereby waived, and all points of order relating to provisions in said bill for failure to comply with the provisions of clause 2, rule XXI, are hereby waived.

Clauses 2, of rule XXI, requires that all appropriations must have an authorization and prohibits the inclusion of legislation in an appropriations bill.

This waiver is needed since the bill includes appropriations for which authorizing legislation has not as yet been enacted. Specifically, provisions involving procurement, research and development, and special foreign currency programs.

Mr. Speaker, the total budget estimate for the Department of Defense and related agencies is about $132,320,565,000. This amounts includes regional appropriations for the Department of Defense, and for failure to comply with the provisions of clause 6, rule XXI, are hereby waived.

Clause 2 of rule XXI requires that all appropriations must have an authorization and prohibits the inclusion of legislation in an appropriations bill.

This waiver is needed since the bill includes appropriations for which authorizing legislation has not as yet been enacted. Specifically, provisions involving procurement, research and development, and special foreign currency programs.

Mr. Speaker, I would like to commend the Defense Appropriation Subcommittee and its Chairman Congressman ABBASO for the superior work demonstrated in this measure. I have no doubt the recommendations made in this bill will enhance the managerial capabilities within the Department of Defense and at the same time improve our already powerful military forces.

I do, however, have one concern with the bill. On page 7 of the committee report it states and I quote: Our most urgent pressuring defense need is to get a dollar in value for every dollar spent on defense.

I wholeheartedly agree with this. However, this does not mean we should not be given the opportunity to use some of this money as an economic stimulus,
Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this resolution makes in order H.R. 5359, the Department of Defense appropriations for fiscal year 1980. The bill includes appropriations for a number of programs for which annual authorization legislation has not yet been enacted. The necessary authorizing legislation is contained in H.R. 4040 which has passed both the House and Senate and is now the subject of a conference. Consequently, a waiver of clause 2 of rule XXI is necessary and was granted against specified provisions in the bill. Clause 2 of rule XXI is concerned with the necessity of authorization for an appropriation and prohibits legislation in an appropriations bill.

In addition, the rule includes a waiver of all points of order under clause 5 of rule XXI. This is necessary because of certain technical language included in the bill involving the reappropriation of unobligated balances.

Mr. Speaker, I am pleased to see that the committee did adopt an amendment last week providing an additional $2.1 billion for the fiscal year 1980 appropriations, most of which is allocated to the operation and maintenance appropriation.

However, I must express some concern over the level of funding recommended for appropriations by the committee for our Nation's defense needs. In view of our military position as contrasted with other global powers, it is inconceivable to me that the amount of funds in this year's bill is $15 billion below the funds projected for fiscal year 1980 by President Ford in his fiscal year 1978 budget message. At a time when we must feel we are assured of our Nation's defense preparedness, we are providing a level of funding which is lean, at best.

In recent years, the funds appropriated by the Congress have been trimmed to such an extent that I truly question the adequacy of funds being allocated to finance our defense needs. Our commitments remain as important today as they ever were and certainly the military threat to our forces face against possible hostilities with the Soviet Union has not decreased. Consequently, I must express in my concern that this legislation and the funds appropriated by it have the potential for undermining our defense posture in the years to come.

Mr. Speaker, although I would be more pleased to speak in support of a budget which would more adequately meet our defense needs and which would prepare our Nation's military forces for the future, I do support the legislation and the rule making it in order.

Mr. Speaker, I have no requests for time, and I yield back the balance of my time.
and the importance of providing for an adequate national defense makes the drafting of this bill a demanding task.

We started the defense hearings on February 7 and concluded them on July 25, with 3 weeks of markup. We recorded 13,000 pages of transcript. The 11 volumes of hearings total more than 9,000 printed pages and I would point out to the Members that none of these volumes includes large numbers of pages of justification material or other filler. They are filled with statements made by witnesses and questions and answers.

We will have to provide more funds for programs than the administration had requested in the budget and other areas in which the committee voted to delete funds from the bill which had been requested by the administration.

Even so, the bill which we present to the House is considerably more than the sum provided for the current fiscal year. The request which was considered by the Defense Subcommittee totaled $132.3 billion for the years 1969 and 1970. This committee approved $129.5 billion for fiscal year 1979. The committee recommends the appropriation of $129.5 billion, a reduction of $2.8 billion. When you include transfers from other accounts, the reduction is $2.4 billion.

A change of $2.4 billion is not much of a change in a request of $132.3 billion. It is less than 2 percent. It does not represent a major change in commission or in the size or composition of our forces.

But the totals do not represent fully the actions of this committee. There are many areas in which the committee voted to provide more funds for programs than the administration had requested in the budget and other areas in which the committee voted to delete funds from the bill which had been requested by the administration.

We have not attempted to change the general thrust of the defense request nor the division of the dollars among the military services nor the balance between strategic and tactical forces.

Some of the principal reductions and additions recommended by the subcommittee appear in the report of the subcommittee's hearings 2 weeks ago. We recommend a reduction of $51 million for the procurement of A-7B aircraft for the Air National Guard. I am unaware of that different members are interested in different actions taken by the committee and we cannot discuss all of them at this point. I would point out that in the front of the report there is a table of contents which lists the various programs so that members can readily find the recommended committee actions. I should mention that one of the recommendations of the subcommittee is one with which I personally do not agree. The President requested $1.6 billion for a CVN nuclear powered carrier. The subcommittee recommendation is in line with the votes taken by the Committee on the defense authorization bill in regard to the aircraft carrier.

Mr. Chairman, I wish that we could have gotten this bill to the floor some months ago, but as I just mentioned, the required annual authorization bill just passed the House recently. It will still be some time before that bill completes conference action and is signed into law by the President. So, we will have to proceed, as we have in recent years, on the House floor under a rule waiving points of order because of the lack of authorization.

This is not to my choosing or that of the Defense Subcommittee, but the delay in the authorizing legislation is beyond our control and we must do as well as we can under the circumstances. As you know, the beginning of the new fiscal year on October 1 is imminent so the Defense Department will have to operate under a continuing resolution until this bill is enacted.

I believe that we cannot deny the Pentagon money that is required for essential spending to provide for national security rather than insist on following form, so I would propose that the House look favorably on most of these requests.

Mr. Chairman, I can absolutely assure you that the bill recommended by the subcommittee provides for adequate funds to maintain the size and strength of our defense establishment required to keep Americans safe and free today and to provide the necessary building blocks for our future defense. My only concern is that the bill provided too much money and that some of the money will be spent wastefully not only to the detriment of the taxpayers and the economy of the country, but to the detriment of the real military strength of the United States.

I have pointed out to the Members that none of the committee's actions should be interpreted as a diminution of our defense responsibilities seriously and try to come to a reasonably good understanding of the programs requested and the basic condition of our Armed Forces. We have a duty to the taxpayers and the economy of the country, but to the detriment of the real military strength of the United States.

We started the defense hearings on February 7 and concluded them on July 25, with 3 weeks of markup. We recorded 13,000 pages of transcript. The 11 volumes of hearings total more than 9,000 printed pages and I would point out to the Members that none of these volumes includes large numbers of pages of justification material or other filler. They are filled with statements made by witnesses and questions and answers.
Union. The listener is left to assume that if we increased our defense spending somehow the Russians would not further increase theirs. But there is absolutely no evidence to indicate that this is the case. It is far more likely that if we increase our defense spending, the Soviets will further increase theirs and we would then probably again increase ours, and the classic spiral of arms escalation would occur.

My friends, we need to listen to reason. We need to use our own brains, our own eyes, our own experience, and not always take the word of those who propose one Mohammad money on the defense of this country. We must not fall into the trap of assuming that the Pentagon would not ask for any funds for any purpose which was not absolutely needed for national defense. They are human as we are, and they make mistakes. Many of these mistakes have been well advertised, such as the C-5 aircraft which, in addition to horrendous cost overruns, was constructed with wings so weak that the Soviets further increase eyes, our own experience, and not aircraft cannot today carry anything ours, and the classic spiral of arms estimated, such weapons which are needed in modern warfare, nor can we maintain the readiness of our forces because of the lack of reliability of these overly complex weapons.

The MX, which will consume at least $30 billion in expenditures and which will use million dollars of land in the Western part of our country, is one of those programs which must be closely and carefully monitored.

The MX is fully funded in the bill. I do not intend to be overcritical of the Defense Department. It is a huge institution and it utilizes a major part of our Federal expenditures every year. I just want to tell the House that you cannot measure military strength by appropriations alone; that we should not fall into that trap; that we should be wary and independent and thoughtful and try to provide those military forces which will give us real military strength. But we must resist expenditures which not only do not add to our military strength, but often take away from our real military strength.

I would be remiss if I did not mention that by the Defense Department's own estimate at the end of fiscal year 1980, which starts on October 1, the Defense Department will have unobligated balances on hand in excess of $20 billion. Those are funds for which no contract exists. The Department, by its own estimate, will have unexpended balances of in excess of $95 billion. I would remind the House that the Department's estimates of unobligated and unexpended balances at the end of the fiscal year are generally understated and the actual balances usually exceed the amounts of the estimates.

I do not believe we are miserly in our support of national defense objectives. I believe that the bill before us is a good one, the best that hard work and many compromises could devise. I believe that the bill provides the funds needed to keep our country militarily strong. I ask for the House's support of the recommendations of your defense subcommittee.

My colleagues, I bring to you a bill which I support, and the subcommittee supervisor of this bill, Mr. Zefferetti, has just presented on the Maybank language in the bill which was discussed earlier by my colleague from New York (Mr. Zefferetti), on the rule. I will discuss that in greater detail when the bill is read for amendment.

Under leave to extend, I include a summary tabulation from the committee report:

<table>
<thead>
<tr>
<th>Agency and item</th>
<th>New budget (obligational authority)</th>
<th>Revised budget estimates of new (obligational) authority, fiscal year 1980</th>
<th>New budget (obligational authority) recommended in bill</th>
<th>New budget (obligational authority)</th>
<th>Bill compared with-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title I—Military personnel</td>
<td>$29,069,541,000</td>
<td>$29,089,440,000</td>
<td>$29,071,231,000</td>
<td>$100,000,000</td>
<td>$309,169,000</td>
</tr>
<tr>
<td>Title II—Military personnel</td>
<td>10,258,600,000</td>
<td>11,143,900,000</td>
<td>11,071,759,000</td>
<td>55,100,000</td>
<td>16,882,100</td>
</tr>
<tr>
<td>Title III—Operation and maintenance</td>
<td>31,061,116,000</td>
<td>32,420,096,000</td>
<td>31,324,741,000</td>
<td>50,000,000</td>
<td>479,459,000</td>
</tr>
<tr>
<td>Title IV—Procurement</td>
<td>(Proceeds from foreign sales)</td>
<td>(Proceeds from foreign sales)</td>
<td>(Proceeds from foreign sales)</td>
<td>(Proceeds from foreign sales)</td>
<td>(Proceeds from foreign sales)</td>
</tr>
<tr>
<td>Title V—Research, development, test, and evaluation</td>
<td>12,354,262,000</td>
<td>13,571,000,000</td>
<td>13,318,553,000</td>
<td>1,000,000</td>
<td>1,100,000</td>
</tr>
<tr>
<td>Title VI—Foreign military assistance</td>
<td>(106,000,000)</td>
<td>(106,000,000)</td>
<td>(106,000,000)</td>
<td>(106,000,000)</td>
<td>(106,000,000)</td>
</tr>
<tr>
<td>Title VII—Military pensions</td>
<td>14,582,000</td>
<td>15,000,000</td>
<td>15,000,000</td>
<td>15,000,000</td>
<td>15,000,000</td>
</tr>
<tr>
<td>Working capital funds</td>
<td>100,800,000</td>
<td>100,800,000</td>
<td>100,800,000</td>
<td>100,800,000</td>
<td>100,800,000</td>
</tr>
<tr>
<td>Total Department of Defense (DoD)</td>
<td>($750,000,000)</td>
<td>($750,000,000)</td>
<td>($750,000,000)</td>
<td>($750,000,000)</td>
<td>($750,000,000)</td>
</tr>
<tr>
<td>Total budget authority</td>
<td>121,091,996,000</td>
<td>132,340,665,000</td>
<td>129,964,064,000</td>
<td>129,964,064,000</td>
<td>129,964,064,000</td>
</tr>
</tbody>
</table>

1 Includes amounts in Supplemental Appropriation Act, 1979. 2 Includes changes proposed in H. Docs. 96-155 and 96-189.
Mr. CHARLES H. WILSON of California. Mr. Chairman, will the gentleman yield?

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

Mr. CHARLES H. WILSON of California. I thank the gentleman for yielding.

The gentleman from New York (Mr. Addabbo) is one of my very close friends in the Congress. I want to compliment him first on achieving the chairmanship of this extremely important committee. I want to compliment the chairman on what I think is a good job that his committee has done.

I am on the authorization committees. I have got great concerns in many of the aircraft programs. I am not as hung up on the carrier as some of my other colleagues are from the Committee on Armed Services. I think is commendable. I think the gentleman from New York and the authorization committee, because George Mahon, I guess it is fair to say that there are areas where I wish we had done more.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield myself such time as I may consume.

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

Mr. Chairman, it has been said around here the Republicans watch chairmen come and watch chairmen go. We have not been able to say that on our defense subcommittee, because George Mahon, bless him, was here for as long as memory of man runneth not to the contrary, but he is now no longer in the House, and we do have a new chairman in the person of the gentleman from New York (Mr. Addabbo). I guess is fair to say that when you start a year with a new chairman, there is always a great interest in how he performs.

We have had our differences. I do not think there is any question about that, but I think I can say without a doubt he has worked very hard. He has proven himself to be a very able chairman. I think the gentleman from New York understands the defense needs of this country and I am proud to serve with him.

While we on the subcommittee argue a lot and fuss and fume a lot between ourselves, I think by and large the end product has been a good, credible bill that I am happy to come here today and support on the floor. I say that not suggesting there are no areas where improvements could be made, but, because there are areas where I wish we had done more.

There are areas where I feel that we have cut more than we should have cut.

Mr. Chairman, for fiscal year 1980, the committee considered a revised request of $132.3 billion in new obligational authority. That figure includes the $2.7 billion budget amendment but excludes the proposed pay supplemental of $2.9 billion, which the committee must consider next year. Thus, we are really looking at a budget request of $135.2 billion. When inflation is taken into account, that request provided roughly 3.4 percent real program growth compared to last year's appropriations.

Mr. Chairman, at this time, the committee is recommending a total appropriation of $129.5 billion in new obligations and authority. Assuming the Senate will approve the pay supplemental in full, that total would increase to $132.4 billion or $11.5 billion over fiscal year 1979 appropriations. That is a 9.5-percent increase.

The Defense Department estimates that inflation will exceed 8 percent next year. Based on the assumption, the Department concludes that fiscal year 1980 appropriations will eventually provide real program growth of only 1.1 percent. There is some controversy concerning this estimate, since it is dependent on inflation rates that may or may not occur next year. If, for example, actual inflation rates turn out to be less than 8 percent, then real program growth would be greater than 1.1 percent.

It should be noted also that any cut we make eats into real program growth first, and once that is consumed, then cuts begin to eat into increases budgeted for inflation.

BUDGET AMENDMENT

Since the budget was put together in late 1978, there has been a sharp upturn in inflation rates, particularly so as fuel prices are concerned. The operation and maintenance account would have been hard hit if we had not made certain necessary funding adjustments during our full committee markup.

Just a few days ago, the Defense Department submitted a budget amendment totaling $2.7 billion, including nearly $900 million to cover fuel price increases.

We approved $2.1 billion of that amount and added that to our bill in full committee.

We felt that the amount disapproved, $580 million, had not been adequately studied, and that if we exceeded the $2.1 billion figure, we would have been bumping up against theoretical ceilings in the budget resolution and left ourselves little or no room to maneuver in conference.

The request for fuel price increases was approved in full.

SPECIFIC RECOMMENDATIONS

When compared to the budget request, the recommended appropriation would constitute a net decrease of $2.8 billion of minus 2.1 percent, distributed among the various accounts as follows: military personnel—$386.2 million or minus 1.3 percent; operation and maintenance—$1.7 billion or minus 4 percent; procurement—$478.5 million or minus 1.4 percent; and R. & D.—$252.4 million or minus 1.9 percent.

Mr. Chairman, I cannot justify all of these cuts. In fact, I opposed many of them, but the committee made a concerted effort to curtail wasteful practices and activities within the Department, and I wholeheartedly approve of this effort.

Let me cite some examples.

First. DOD has failed to curtail personnel travel, though directed to do so in the past. Those travel costs run about $1.7 billion annually. We are recommending a reduction of $92 million or 8 percent.

Second. There has been considerable abuse and waste and a lack of proper management and control over the use of DOD overtime pay. The request for fiscal year 1980 is $411.3 million. We are recommending a reduction of $116.4 million or 30 percent.

Third. There has been widespread misuse of sick leave and disability benefits within the DOD.

We have found that the services are permitting many civilian employees pending optional retirement to exhaust huge quantities of sick leave prior to retirement.
We have found that approximately 45 percent of all DOD retirements are for disability reasons which compares unfavorably with the 30 percent rate for the rest of the Government (which is also too high in my opinion).

We feel that each year some 300 civilians who retire for disability have previously retired from military service with disability.

To try to curtail these questionable practices, the committee is recommending a reduction of $98 million or 10 percent.

Mr. Chairman, these kinds of cuts can only increase our military strength over the long run, as they will hopefully free up scarce DOD dollars for more useful purposes.

Mr. Chairman, there is one area where I feel that the committee has failed to take a chance, and that is the obvious savings, and this is in its failure to support the proposed consolidation of basic helicopter pilot training. This move would save about $100 million over the next 5 years. I support this proposal by the Department of Defense. I will have more to say about it later on.

There are several other areas where the committee focuses on some potential long-term savings and efficiencies that deserve further scrutiny. These are as follows:

(1) OVERSEAS UNIT ROTATION CONCEPT
At present, the Army and Air Force use individual accompanied and unaccompanied overseas tours of duty that tend to be of a longer duration than the Marine Corps', which uses the unit rotation concept with shorter overseas assignments. At comparable costs, the Marines maintain that their approach reduces personnel turnover, improves readiness, and increases family stability at home bases. I would urge that when the cost of supporting dependents overseas with commissaries, hospitals, schools, etc. is taken into consideration, the unit rotation concept would turn out to be a far cheaper way to deploy our troops overseas. We have therefore directed the DOD to test out the feasibility and desirability of this concept.

(2) ACQUISITION OF ADVANCED ENGINES
During the hearings this year, the committee delved into the major problems areas in the acquisition of large high-thrust fighter engines.

Since the 1960's, the Defense Department has initiated the development of aircraft engines and airframes concurrently, though it generally takes 12 to 14 years and 1 million engine flight hours to mature advanced fighter engines, whereas airframes can be developed in 4 to 6 years. This has resulted in engines being placed in production long before their development has been completed. This, in turn, has led to component improvement programs (CIP) and overruns which correct numerous deficiencies identified early in an engine's service life. CIP and attendant modification programs are costing the taxpayers millions of dollars each year.

We also found that in the past, military engine programs have stressed performance at the expense of reliability, maintainability, and durability. This, in turn, has led to the premature adaptation of advanced engine technology. As a result of these practices, we are paying a terrible price in engine operating and support costs.

The F-100 engine, which powers both the F-15 and F-16 aircraft, and the TP-30, which powers both the F-14 and T-11 aircraft, are living examples of all the pitfalls in engine development programs.

The next generation of large, high-thrust engines will be needed in the early 1990's.

If we are to avoid past pitfalls and have a relatively mature engine available for production by 1988-89, then the design and fabrication of the early prototype models of that engine needs to get underway without delay.

The committee has made several specific recommendations along those lines all aimed at increasing reliability, maintainability, and durability. And the bottom line is that premature production results inevitably in unnecessarily high maintenance and support costs later on.

And this is especially true of the XM-1 tank.

(3) TANKS
If the Army has one great need it is for a new main battle tank in the field. We have been trying for about 18 years to accomplish this, and I find that incredible. So here we are with the new XM-1 tank with more problems than a production model ought to have. We have provided the money for 30 tanks a month, but we said the Army cannot buy more than 10 tanks a month until all the tests are successfully completed. We need a new tank, but we need one that works. I am unwilling to put tanks in the field with our boys in them when we know that the tanks don't meet the "mean miles between failure" test. That is suicide.

And we also know from experience that if we put tanks in the field that are not thoroughly tested and properly equipped, the number of maintenance and the spare parts budget for the future.

TRENDS IN DOD BUDGET CUTS, FISCAL YEARS 1970-80

Looking back over the last decade, the 21 percent overall reduction recommended by the committee is consistent with what appears to be an emerging trend.

The mood in the Congress on defense is changing. In fiscal year 1970, the Congress made a 7.2 percent reduction in the defense bill—the largest single cut in this decade. Each successive year, except for 1975, saw a decline in the rate of cuts until, for 1975, no cuts at all were imposed. The heaviest concentration of cuts came in fiscal years 1973-76, averaging 6-7 percent. Since then, the trend in budget reductions has been gradually and steadily downward. In fiscal year 1977, Congress trimmed 3.5 percent from the bill; 1978-3.8 percent; then in 1979, it dropped to 2.2 percent; and in 1980 our bill calls for a cut of 2.1 percent.

This seems to be part of a pattern wherein the Congress has been cutting less and less from the defense bill each year, but cutting nevertheless.

At the end of the Vietnam war, the prevailing view held the DOD budget to be redundant and retirements and reductions were in order. But that view has gradually given way to a new interpretation as evidenced by declining DOD budget cuts—a view that postulates the existence of serious deficiencies within our Defense Establishment in several specific areas. It also says to me that it is wrong to try to place all the blame for inadequate defense spending on this or past administrations. The Congress, very simply, has neither equaled nor exceeded the budget in the last 10 years.

NATO

The fiscal year 1980 budget for defense placed great emphasis on increasing the combat capabilities of our conventional air and ground forces for the defense of NATO along with our strategic nuclear forces. The committee foresees some potential long-term savings and efficiencies that would be no growth whatsoever offered in the Navy budget.

The committee supports the plan to strengthen our NATO defense and strategic nuclear postures, but at the same time the message conveyed by the committee's decisions is that we cannot allow any further decline in our naval forces and missions. Thus, while the proposed budget projected "real program" growth of about 3 percent for the Air Force and Army combined, if any changes were infeasible for inflation, there would be no growth whatsoever offered in the Navy budget.

The reason for this is quite simple. We are a seapower—or we should be. Our dependence on the sea has continued to grow as we have become more involved in the world economy. Yet, as our dependence on the sea has increased, our ability to control the seas has come under increasing challenge by the Soviet Union.

As a seapower, the Navy has been a proper instrument for executing our foreign policy.

The crucial foreign policy role played by the Navy in the post-World War II era has been carefully documented in a Brookings Institution study, which surveyed 215 incidents where the United States employed its Armed Forces between 1946 and 1975.

According to the Brookings study—The United States has turned most often to the Navy when it desired to employ the armed forces in support of political objectives.

Naval forces participated in 177 of the 215 incidents surveyed, or more than 4 out of every 5. In conclusion, the study states:

The Navy clearly has been the foremost instrument for the United States' political use of military power in all places, and regardless of the specifics of the situation.

And, the reason for this is very simple. The show of naval force in a crisis is likely to be less expensive than the actions that may follow re-lying on the territory of another country.
It is impressive, it is meaningful, but it is carried out on the high seas without dependence upon a foreign country. The history is clear—a strong Navy must remain an essential part of our national security policy.

We have reached a point where we must either provide more money for the Navy or face up to reduced Navy force levels and missions. In this year's and last year's bill, our committee has added critically needed funds to the Navy budget.

CONTRIBUTION TO THE NAVY MISSION

The controversy surrounding the Navy mission and its manifestations in DOD budgets is the single, most important issue in the bill. It is not a new issue. It has been brewing for several years now and the struggle is continuing.

The conflict is between the Defense Department and the Navy over what the future mission of the Navy should be. The conflict is continuing without resolution or any clear sense of direction, and I see it being at the heart of the problem with the Navy and how the Navy is perceived to be the new Navy.

The Defense Department contends that there has been no change in the Navy mission and that one is planned. The Department acts as if the issue does not exist.

Yet all the detailed budgetary data suggests otherwise. Those figures suggest that actual procurement rates for naval aircraft and ships either are not or will not be adequate to maintain current force levels, and to me, this means an inevitable change in mission somewhere down the road.

The Defense Department is saying one thing and doing another. Someone over there is not facing up to the problem, and in the meantime, our Navy is drifting into decline.

In examining annual Navy budgets as compared to projected 5-year defense plans, one can readily find that vast discrepancy between actual procurement rates for naval aircraft and ships. The Navy is betting on the "bow wave." This is what happens. The Navy keeps postponing, or is required to postpone, the allocation of adequate funding levels for ships and aircraft, pushing massive sums of money into outyear budgets. Well, it is all piling up out there in what is known as the "bow wave." Then the inevitable will happen. The military will come to the Congress to say that all these ships and aircraft really were not needed anyway—but what they will really be saying is that there is not enough money.

Recent news reports on next year's budget and the new 5-year defense plan (fiscal years 1981-85) bear out this prediction and suggest that the trend is continuing.

The Marine Corps is also involved in the controversy, because its mission has to change as Navy force levels and missions change. Next year I am planning to delve into the roles and missions and future direction of the Marine Corps.

The indecision over the Navy mission has been an open invitation to the committee to reorder funding priorities, even though I do not believe that we should be setting budget priorities. But, in the absence of proper policy guidance in this regard, we find ourselves moving into the vacuum.

If there is to be a clear change in the mission of the Navy and Marine Corps, then let us have it out on the table.

LIBRARY OF CONGRESS STUDIES

Given all the controversy over the Navy mission, I decided at the conclusion of last year's action to undertake detailed studies perceived to be the most critical problem areas—naval aircraft and ship requirements, inventories, and procurement plans and options. Those studies, which were prepared for 3 years by the Library of Congress, were instrumental in helping me to develop a more systematic approach to the whole problem. Those reports were the subject of much discussion during our deliberations this year.

As a result of that work, I now feel as though I have a much better understanding of the problem, and there is general agreement on the committee—I think—as to what needs to be done. That conclusion is reflected in the committee's recommendations.

AREAS OF MAJOR CONCERN

Each year we buy fewer and fewer ships, and the fleet is shrinking in size, and all the information indicates that this trend will continue. For example, when President Ford left office, his 5-year shipbuilding plan called for 157 ships to be built, 36 of which would have been funded in the fiscal year 1980 budget. President Carter this year reduced the plan to 69 ships to 7 ships and only budgeted 15 in fiscal year 1980—the same number budgeted last year. Two ships were deleted from last year's program, but the recently approved supplemental providing 4 additional ships would establish a 17-ship program in fiscal year 1979. Most experts agree that we should be building about 20 ships each year.

The bill, as modified by the committee, provides for the construction of only 10 new ships as follows: One Trident submarine, one attack submarine, one aircraft carrier, one Aegis destroyer, and six guided missile frigates. The request included 15 ships. We deleted the five T-AGOS SURTASS ships.

And the future looks grim.

The current 5-year plan (fiscal years 1980-84) includes a total of 67 new ships or about 13 per year, and according to recent news reports, the new 5-year plan (fiscal years 1985-89) call for only 46 new ships or only about nine per year. Those numbers fall far short of the Navy's needs.

I have been greatly concerned about the trends in recent years. It is serious, and it is continuing. For these reasons, I asked the Library of Congress to conduct a detailed analysis to determine how many ships the Navy and Marine Corps are buying and ask them to buy in the future and to estimate the cost of such a program.

That study was completed on May 30, 1979, and was discussed at length during our hearings on the shipbuilding program. I will summarize its principal findings.

In order to maintain the current 540-ship Navy through the year 2005, we will need to buy about 400 ships between now and the year 2000 or roughly 19 new ships each year.

Second, the average annual cost to maintain the 540-ship Navy over the next 21 years would be $8 billion in fiscal year 1980 dollars. This compares with an average annual obligation for the past 10 years of $5.6 billion in fiscal year 1980 dollars. The 42-percent increase in annual shipbuilding appropriations, which would be required to maintain the 540-ship Navy, would constitute a major change in DOD funding priorities.

Third, at present funding levels, Navy ships are more costly than can be afforded in the numbers required to maintain present force levels.

Fourth, a continuation of the present policy for 10 years or more would result in a Navy of about 350 ships, significantly fewer than those needed to maintain present force levels.

Fifth. Alternative courses of action include:

1. Accept less capability, either by reducing the size of the fleet or designing less capable ships;

2. Increase funding for shipbuilding; or

3. Shift to new concepts and technology.

I have no doubt that we will be shifting to new concepts and technology. That is as it should be. And this may very well mean that we will need fewer ships. But again, the Department of Defense needs to lay all that out on the table for the committee to deal with. But for now the handwriting is on the wall.

We are fast headed for a 350-ship Navy, and that is a far cry from the 540-ship Navy of today and the 1,000-ship Navy of 10 years ago.

I question whether a force of that size could continue to carry out the Navy's principal mission of maintaining maritime superiority based on what the committee knows at this time.

AIRCRAFT REQUIREMENTS

The outlook here is equally grim.

The fiscal year 1980 request for naval aircraft procurement including funding for only 39 fighter/attack aircraft, 24 F-14's and 15 P/A-18's. That number would not go far toward meeting the Navy's annual requirement for new fighter/attack aircraft.

According to the Library of Congress, the Navy and Marine Corps need to procure at least 160-200 new fighter/attack aircraft each year merely to offset normal peacetime attrition so as to maintain the 12 active and 2 reserve carrier air wings and 3 active and 1 reserve Marine air wings as authorized by the Congress and with an acceptable average aircraft age of 7 to 8 years.

RECENT FUNDING HISTORY

In recent years, the Navy has procured far fewer naval ships and aircraft than authorized. In the current fiscal year, the Navy has procured an average of only 83 fighter/attack aircraft per year. In the last five budgets, the Navy has procured an average of only 83 fighter/attack air-
September 26, 1979

CONGRESSIONAL RECORD—HOUSE 26375

craft per year. The number has been decreasing, with the average for fiscal years 1978-79 of only 70 aircraft.

If that downward trend is not reversed through increased annual buys, it will not be until the next 5 years. The number of ships, summarizing, has been increasing, with the number remaining at 3 carrier and 3 Marine airwings in the future.

The recent history of appropriations for naval aircraft procurement does not augur well for the future.

Just as in the case of shipbuilding, the Navy is also looking at big cost increases for aircraft procurement in the next 5 years.

The Navy has budgeted $1.4 billion this year for fighter/attack aircraft. That progressively increases in 1984 to $3.5 billion—a whopping 150-percent increase. The aircraft climb from 39 aircraft this year to 210 aircraft in 1984. Plans also call for maintaining that level of procurement into the late 1980's.

The total Navy aircraft procurement budget, including aircraft modifications, is $4 billion this year. That will grow in 1985 to $6.9 billion—an increase of 75 percent.

During the same 5-year period, funding for shipbuilding programs is projected to increase by 40 percent from $6.2 billion this year to $8.7 billion in 1984.

If this plan were fully executed and sustained into the outyears, the Navy and Marine Corps aviation programs would nearly double by 1989.

I raise the same question I have been asking all along. Where is the DOD and the Navy going to come up with the money needed to carry out this plan?

The Navy cannot do all that needs to be done in this budget because there is only so much money available.

So far no one has been able to tell me where the Navy will get that kind of money, if it needs it, now or if we cannot come up with it today.

The only way it can be done, I am told, is to have average annual growth of 3 to 4 percent in overall funding for the Navy over the next 5 years.

Historic suggests that is not going to happen.

Well, this seems to have turned out to be another Navy speech, and I apologize for that. But in my opinion the Navy, of all the services, is by far the most long-range problem. We must face up to that problem now if we are to have a solution for the future.

I could argue all day long about how much is needed in this bill and how much each military branch requires. When we get right down to it, though, I don't believe there is anyone in this Chamber that knows the answer to that question. We certainly do not have the answer. But the problem does cry out for study and consideration and a clear sense of direction.

Well, Mr. Chairman, we have carefully reviewed the budget. We have deleted some items. We have added some, and we have transferred some from one area to another. We did the best we could, but this is not a perfect bill by any stretch of the imagination.

With some of the exceptions noted earlier, I believe this is a good bill. But in the years to come, I also believe we will be forced to increase the sums if we are to respond to the continuing Soviet advances, and if we are to provide funds for our own technological breakthroughs as well as force readiness in the manner it is demanded. That is why it is so important to make the best use of every defense dollar.

Mr. Chairman, I yield 5 minutes to the gentleman from Virginia (Mr. Robinson).

Mr. ROBINSON. Mr. Chairman, I would like to echo the comments of our ranking minority member, the gentleman from Alabama (Mr. Edwards), in terms of complimenting our new subcommittee chairman and our staff for their unfailing courtesy, for their fairness in dealing with us as a minority in the subcommittee, and in handling a bill which becomes more difficult each year and is reflected, I am afraid, in the necessity for the increase in the size of our bill. This, as usual, has been a difficult year because it has been a transition year. It has been difficult for the chairman; it has been difficult for the membership, because it is not easy when a subcommittee makes a transition from the chairmanship of a man who had been in charge of the committee for as long as George Mahon had to a new chairman with new ideas, new administrative techniques, and with, additionally, substantial additions to the committee in terms of new membership.

To those who would criticize us because of the fact that there is a $2 billion cut, I echo the sentiment of Jack Edwards, that certainly we would like to fund all of the needs of the Department of Defense, but I want to tell the Members that we have done our thinking in the Department of Defense with regard to what those needs might be.

It is always difficult to deal with that situation, when we have to come down to reestablishing priorities, and a great deal of work this subcommittee does in that area of reestablishing priorities as we try to fit the pieces of the puzzle together based on the amount of money that we feel is honestly available and can be portioned out.

To those Members who feel that the bill is too big, I feel there are some that do—I say to them that if they will look on pages 5 and 6 and see where the cuts and the additions are that have been made in this bill, I think they will have to accept that the committee has made a judgment based on a substantial number of decisions that had to be made, and that it was not made on basis of importance to be portioned out on basis of a lack of staff work in terms of backing up what we finally came down on as the proper choice.

I would also, to those Members who feel that the bill is not large enough, call to their attention the fact that we know that there is a very substantial supplemen-
prospective enemies with regard to our intent and our ability to defend and keep open the lanes of transport in the oceans of the world around the world as a total. I mentioned that a great deal of the decisionmaking process in our subcommittee is one of reestablishing priorities as suggested by DOD and that sometimes the various agencies of DOD do not agree themselves as to how these priorities should be established.

One of our problems in sorting out these priorities is when they come up here on an annual basis, they do not have the current priorities as they did last year. If you think this does not confuse the decisionmaking process, then you do not know how difficult it gets after we have gone through those 11 volumes of hearings that have been mentioned to you to sort out and make decisions on a dollar basis with regard to the thousands of items that you will find covered in the 590 pages of this committee report.

Perhaps much of what I have said has sounded critical with regard to the bill but, I am going to vote for it because I think that the committee brings us a good bill, and because the new year is so imminent, I believe it is of the utmost essential that we move ahead on this largest and most important—I think, in the view of most of the people in this House—of the regular appropriation bills, 13 in number, that come before us.

Mr. Chairman, as a member of the committee, however, I have subscribed, together with other members, to additional views which appear in the report and which reflect our concern over language in the report stating that—

The funds provided are adequate in amount to finance the military capabilities required by the United States at this time. I have very substantial doubts that the funding is fully adequate, in terms of the readiness of our national defense establishment.

Readiness is the key word—maximum readiness now, with what we have, or can procure quickly, in personnel and matériel; and an intensive, methodical effort to enhance that readiness. In order that it will be large enough to meet the increased and potent threats of the years and decades ahead. We have been slipping.

One by one, our former substantial advantages have been neutralized, and some now are being converted into disadvantages.

The Soviet Union's energetic and impressive buildup of its own offensive and defensive capabilities have combined with our complacency and false economy to bring about this ominous turn. It is in our national interest that we be involved in a long-term chess game of calculable consequences.

The Marxist strategy is geared to the long term. Under circumstances of the present, with their advantages and disadvantages for the grand plan for international communism, are interfaced with that strategy.

Since World War II, we have seen the Soviet Union advance its strategy through military support of so-called movements of national liberation, without significant commitment of its own combat forces.

These adventures have not been fully successful in all instances, but the reverses have been few.

The areas of Soviet domination or influence have grown.

Our power and influence as leader of the free world—and our national will to fill the leadership role—have come into question.

On the chess board, it is a time of probing and testing.

We see the arrogant intrusion of a Soviet combat brigade in Cuba.

Our options to abate this symbolic threat are few and difficult.

Where, and with what effect, might our moves be counteracted elsewhere on the worldwide board?

As the diplomatic efforts continue, might the deactivation, or downgrading, of our naval base at Guantanamo be the price of an accommodation by the Soviet Union?

I sincerely hope not, and so should we all.

When we hear or read that Guantanamo has lost most of its importance as a naval base, we need to return to our maps and refresh our understanding of the defense geography of the Caribbean.

Guantanamo stands out as the sentinel of the Windward Passage, a major gateway to that sea, which was a favored hunting ground of Nazi submarines in World War II.

How convenient to the establishment of the Caribbean as a Soviet lake would be the abandonment to Castro of our base at Guantanamo.

Why am I talking about Guantanamo in connection with this appropriation bill?

Not merely because the modest funding for maintenance of the base is included, but because the presence of the Soviet combat brigade in Cuba, and our response to that presence, and the Soviet responses to our responses, focus attention on the active Soviet interest in the Western Hemisphere, and on our capacity, or lack of capacity, to deal effectively with those intrusions which might come in the future.

We may still hold a few secrets in qualitative defense capacity, but our quantitative capacity is virtually an open book.

And, when we look at the other side, we see great quantity and considerable quality.

The armed might arrayed against Europe by the Warsaw Pact combine is no mirage.

Although certainly not hopeless, the superiority over NATO forces in numbers of personnel, tanks, armored personnel carriers, and artillery is frightening.

Perhaps even more ominous a challenge, however, is to be found in the proliferation with which the Soviet Union is making toward an obvious goal of neutralizing the U.S. Navy's long-held capacity to maintain effective control over vital sea lanes.

The foreword to the latest edition of Jane's Fighting Ships notes, in particular, the development for the Soviet Navy of new classes of surface craft of high sophistication.

There are cited, as examples, a class of large nuclear-powered missile-carrying warships, seemingly comparable in size and fighting power to a class of vessel for which our Navy's plans are shelved at this time; and a large landing platform dock (LPD) class suitable for amphibious operations, plus a big and versatile submarine with substantial improvement.

The Soviet Navy is moving ahead purposefully in the development of a potent aircraft carrier force.

In August, the publication, "Aviation Week and Space Technology," published an article including this report:

Soviet Union is building what U.S. naval experts believe will be its first large-deck, real aircraft carrier at Russian shipyards in the Murmansk area.

At the same time, the Soviets have started sea trials in the Black Sea with a third vessel in its Kiev antishubmarine aircraft carrier class.

A fourth Kiev-class ship is now under construction in a Black Sea shipyard * * *.

These are sharp straws in a chill wind. We cannot plan, realistically, to match the numbers of the Warsaw Pact force in being, either as to personnel or as to such basic tools as tanks and guns.

We must strive, therefore, for the edge of quality in our ground forces, and the air support for these forces

As the Soviet Navy moves steadily toward a global operational capacity, we cannot tolerate a further erosion of the relative strength of our own Navy.

That is why some members of our committee have been disturbed by the magnitude of the reductions from the President's requests in several important areas in which significant increases, in real terms, seem to be nearly necessary to achieve an order of readiness prudent for these times.

In this connection, we should keep in mind that increases in the budget recommendations yet to be considered will be discounted substantially, by the time the funds become available, through the further skimming by inflation.

The bill reduced the operation and maintenance by well over $1 billion—a rough slash at the heart of readiness.

More than a quarter of a billion dollars was cut from research and development, the generator of the qualitative advantage.

In procurement, while we increased the naval aviation program by two-thirds of a billion dollars, we cut overall defense procurement by almost one-half billion dollars, including reductions in additional buys of our current basic tank, the M60A3, the battlefield Penning machine gun, and certain command and control equipment.

And, despite the funds provided for Navy and Marine Corps aviation, we cannot be at all comfortable about the outlook. Even with the increases over budget, procurement of 72 tactical aircraft in fiscal year 1980 will be constrained.

The position of Secretary of Defense Harold Brown that a buy of about 180 fighter and attack planes a year is necessary to maintain
September 26, 1979

CONGRESSIONAL RECORD—HOUSE

26377

Mr. ADDBABO. I thank the gentleman for yielding. I assure the gentleman that it does. All three services have proposed authorization levels that the gentleman has discussed, and that would be covered.

Mr. JOHN L. BURTON. Where it states "or conducting uncontrolled or dehornlimentary human beings," that would mean that even if they informed someone that they were going to let deadly nerve gas out in the bay in San Francisco, as long as the people did not volunteer to have such a test placed upon them, the Armed Forces could not do such tests?

Mr. ADDBABO. That is absolutely correct.

Mr. JOHN L. BURTON. I thank the distinguished chairman. Based upon our colloquy, the gentleman from California (Mr. MILLER) and I will not be offering our amendment.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Chairman, I rise in general support of H.R. 5399, the Defense appropriation for the fiscal year 1980.

I say in general support because I expect to vote for the bill and I urge my colleagues to do likewise.

But I do have some reservations about the adequacy of the funds to fully meet our defense needs as well as one or two other matters which may be addressed by amendments which I may support.

As to the adequacy of the funds to meet our needs, my views are contained in the additional views in the report, and I would draw your attention to them.

I have some serious personal reservations that some of the cuts in training, subsistence, personnel programs and in other operations and maintenance areas may be counterproductive.

About $1.7 billion was deleted from the administration request for O & M. While I have no particular quarrel with many of the specific cuts, I feel that a cut of this magnitude removes much of the flexibility of the Secretary of Defense to put money from lower priority programs to high priority needs. In this bill, we have effectively removed most low priority programs, leaving those which are critical to our defense with little or no option for transfers should the need arise.

There are two levels of defense posture. Procurement programs provide us with the planes and ships and tanks which will not come into the inventory for years in some cases. We could well find ourselves in dire circumstances if present trends in procurement continue.

But defense readiness also has to do with having a well-trained ready force, equipped with well maintained equipment. In this area too, we are deficient. The services are experiencing extreme difficulties in recruiting and retaining personnel. Program cuts in training, morale, welfare and recreation programs, and in other personnel programs do not go to the solving of this problem.

Further, cuts in the operation and maintenance accounts impact directly on maintenance of equipment and facilities.

To a great degree, this bill is held hostage to actions of other committees and to the long range authorization and budget resolution restrictions. In addition, we are at the mercy of those who prepare the budget and who appear before us to ask for the money. Time after time, the committee is told the budget under consideration will do the job, and only careful examination of available data raises any question to the contrary.

In this context, the subcommittee chaired by the gentleman from New York (Mr. Addabbo) has done an outstanding job. The gentleman from Alabama (Mr. Edwards) has contributed greatly to the shape of this bill. All other members of the subcommittee deserve our gratitude and our respect for their work.

But I sincerely believe we may be at the point where hard decisions will have to be made regarding the future direction of our national causes given the dollar constraints we all want to see imposed on all Federal agencies.

As I said, Mr. Chairman, I feel I can support this bill. It represents the best of the considerable wisdom embodied in the Defense Subcommittee. I urge passage of the bill.

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

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

Mr. ADDBABO. I thank the gentleman for yielding, and I thank him for his kind words. As I said earlier, considering how busy the gentleman is as the ranking minority member of the full Appropriations Committee, he gave much valuable time to our committee, and we are truly grateful for his expertise.

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

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

Mr. MONTGOMERY. I shall yield the gentleman for yielding. I certainly agree with what the gentleman has said about the new chairman of the subcommittee, and I would like to thank the members of the subcommittee for their splendid work and especially for looking after the National Guard Reserve. The chairman of the subcommittee would still be our chairman if he further takes care of the National Guard Reserve.

Mr. CONTE. I thank the gentleman.

Mr. Chairman, I yield back the remainder of my time.
about a program—an experience in the process this year that I think should be of interest to the people of this country.

Mr. Chairman, people often talk about our spending quickly and easily hundreds of billions of dollars without a great deal of thought. There was a program in this budget this year that involved the cooperation of the subcommittee had essentially signed off on and the Army signed to establish a training system that would save lives if we ever came to the time again where we had to send our men and women into the battlefield.

Suddenly at markup time we found that money gone. I was a bit disappointed for in my district the program meant only a minor impact upon the community of Barstow, an increase in population of 18 percent, an increase in primary and secondary jobs of 27 percent, an increase in income of well over one-third.

Mr. Chairman, I wondered about that and when we found that the excellent work by the subcommittee indicated the State of California had some objections and with that objection the money was not to be spent this year. They notified us, worked very carefully with us and in a short time we were able to bring the State, the Army and the U.S. Government together.

Mr. Chairman, I stand here today to praise this subcommittee, its chairman, the gentleman from New York (Mr. Addabbo) and the ranking member, the gentleman from Alabama (Mr. Edwards), and their fine staff for their effective work in evaluating the dollars we are putting to work in national defense. In this case, I want it known that the Army thanks you, the people of Barstow express their appreciation for your cooperation and I certainly appreciate the kind of help I have had this year.

The Chairman. The time of the gentleman has expired.

(At the request of Mr. Addabbo, and by unanimous consent, Mr. Lewis was allowed to proceed for 1 additional minute.)

Mr. LEWIS. I am pleased to yield to my chairman.

Mr. ADDABBO. I thank the gentleman for yielding.

I wish to commend the gentleman. I know he was very interested in this and it is a very important program. The only reason the committee eliminated it originally in the markup is the fact that there had been some question in the State of California about the environmental impact statement, and during our markup we did not want to go out of our way to transfer the fiscal year 1979 funds be taken out of our district but I am happy it is in the gentleman's district.

Mr. EDWARDS of Alabama. Will the gentleman yield, Mr. Chairman?

Mr. LEWIS. Certainly, I yield to the gentleman from Alabama (Mr. Edwards).

Mr. EDWARDS of Alabama. Mr. Chairman, we felt like we were on the right track in our subcommittee in view of the comments of the State of California. The gentleman in the well got very busy and worked out those problems. He came back with positive answers and on the basis we could take the action we took.

I commend the gentleman for his endeavor. It shows that hard work does in fact produce good results and the gentleman did a good work.

Mr. Chairman, I yield 3 minutes to the gentleman from Alabama (Mr. Dickinson).

Mr. DICKINSON. Mr. Chairman, I will just take this time to engage in a bit of colloquy between myself and the chairman of the committee, as a matter of legislative history here.

There are two or three things we are actually presently engaged in, in conference this very afternoon, that will be impacted by what we do in the appropriations process this year that I think should be of interest to the people of this country.

The Chairman. The time of the gentleman has expired.

Mr. LEWIS. I am pleased to yield to the gentleman from New York (Mr. Addabbo).

Mr. ADDABBO. There are funds in the bill before the House for continuing research on the diesel engine.

Mr. DICKINSON. I yield to the gentleman, speaking as a member, but not for the Subcommittee on Research and Development of the authorizing committee, we are in conference with the Senate now. We are in conference with the Senate. We are both engines, the diesel engine and the new XM-1 engine. We are needing a new state-of-the-art engine in development. We talk about gas turbines and/or diesel engines, but diesel engines, we need to continually develop and expand and improve on whatever the state of the art is toward engines.

Mr. Chairman, I would hope that whatever we do will not be at the expense of the proposed turbine engine in the XM-1 tank. I was wondering if the chairman or the ranking member could assure me that the money for the follow-on diesel engine will not be in lieu or at the expense of the turbine engine, that the funds are not obligated to make it work.

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

Mr. DICKINSON. I will be very pleased to yield to the gentleman from New York.

Mr. ADDABBO. In the bill before the House at the present time there are no funds for the SES. The reason there are no funds is that there are funds from last year, from the 1979 budget that are unspent, and we are waiting to see exactly what the Navy is going to do with those funds. If the SES is authorized, they can proceed with it using fiscal year 1979 funds.

Mr. DICKINSON. Mr. Chairman, I thank the chairman.

Let me add that there are funds in the Senate not only zeroed but they recaptured the $40 million carried over from last year. So far as the action of the other body is concerned, the senator from Alabama, on the bill which the chairman referred I am glad to establish this and make a part of the record because I think this will be helpful to us in our dialog with the Senate not only in recapturing what was done last year but in coming to some solution or conclusion as to what we are going to do this year.
They are developing it and they are very proud of the production. As I recall, AVCO is the manufacturer of the engine, but none of this is now in my district or the gentleman's district. I have no parochial interest. I am just interested in getting a good tank; so I am optimistic about the engine. I think we are doing the prudent thing in developing a new engine as a backup if needed; but I just wanted to establish and make sure that we are not doing it at the expense of the turbine engine.

One other item that I might comment on and develop that I know is of great interest to the gentleman from Alabama, that is the $25 million for the development of an aircraft engine.

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

Mr. EDWARDS of Alabama. Mr. Chairman, I yield 1 additional minute to the gentleman.

Mr. DICKINSON. I was speaking of the $25 million that was in this bill that has not been authorized and appropriated. We need development of an aircraft engine on which we had a colloquy on the floor, or I did, with the members of the Committee on Armed Services. As I recall, the gentleman from Alabama was down fighting Hurricane Frederick at the time when we went into this matter, but is it the intent of this committee in putting this money in now that they will go forward with an advanced development and a long-term development to prove the durability and maintenance of a new engine?

Mr. EDWARDS of Alabama. Mr. Chairman, if the gentleman will yield, I think we have to do that if we are going to have the next generation of planes and engines married up in a way that will bring about the greatest durability and reliability.

Mr. DICKINSON. Well, I approve the concept. I understand it. I agree with it. I was disappointed to hear that it was appropriated before it was authorized; but I am certainly going to support it.

Mr. ADDABBO. Mr. Chairman, I yield such time as he may consume to the gentleman from Washington (Mr. Dicks), a new member of the subcommittee whose expertise has been a great addition to our subcommittee.

Mr. DICKS. Mr. Chairman, I would like to thank the chairman for his comments.

Mr. Chairman, I just want to pay my respects to the chairman, the gentleman from Virginia (Mr. Chapman) and the ranking minority member the gentleman from Alabama (Mr. Edwards) for having done an outstanding job this year in guiding our subcommittee, and to our very excellent staff. I think the bill that has been reported provides for our national defense. It does not take care of every requirement, but when I think it goes a long way toward providing real defense for our country. I think it has been prepared in a very thoughtful way. I commend it to the other Members of the House.

Mr. Chairman, the bill the House is considering today is exceedingly important both in proving the critical need for national defense needs and as a major part of our efforts to bring the levels of Federal spending under control. As a member of the Subcommittee on Defense, I have had the opportunity to participate in the process of developing this legislation, and in my judgment it does an excellent job of balancing the two objectives of adequate defense and budget austerity.

The bill provides budget authority of $129.96 billion for the coming fiscal year, an increase of approximately $8 billion over the current defense budget. The recommendations of the committee have been developed over 33 days of hearings and a full bill of markup. There is a spirited debate on a number of issues which helped set before us the options available, and aided our determination of what is best for this country. This bill has actually improved through a given action. The committee's report provides a very thorough analysis of the rationale developed by the committee for its actions.

During consideration of the budget resolution there has been extensive debate over amendments to either increase or decrease defense spending by a set percentage. I want to associate myself with the remarks of the distinguished chairman of the subcommittee when he points out that is not simply dollars that buy improvements in our national security. Our defense capabilities are increased by wise and prudent application of resources in an efficient manner to real areas of need. Duplication of efforts in research does not give us greater defense. Studying a problem and then re-studying it in order to avoid a difficult decision does not improve our national security. Procurement of a weapons system which is not ready to go into production due to technical problems does not increase our capabilities. While I believe it is certainly proper to attempt to establish spending priorities through the budget process I believe just as strongly that the Appropriations Committee has an essential role in recommending the specifics of where we can realize constructive gains through spending.

This bill incorporates literally hundreds of recommendations for improvement of management in the operation of the Department of Defense. These recommendations are based not only on the recommendations of the Appropriations Committee but on analyses developed by the General Accounting Office and audit agencies within the Department of Defense. In our best judgment they will help improve the operation of the Department to more cost-effectively achieve our mission assignments.

Some who call for increases in defense spending point out that we spend less than half the defense budget on operations and personnel, and not on weapons systems. I am convinced that the investment it makes in weapons is the most valuable one we can make. Soldiers who are not adequately trained; extensive turnovers resulting from a recent decline in compensation and benefits in comparison to both the private and public sectors; and an inability to attract the specialists we need weaken our defense readiness no matter how new and sophisticated our weapons might be. This bill attempts to address some of these factors. For instance it provides for an equalization of scholarships between Defense and HEW medical programs which should aid in attracting critically needed health professionals. It also approves expansion of reenlistment bonuses to promote retention.

Improved management in the operations and maintenance area will help hold down costs and allow us to divert limited defense dollars to more productive programs. An initiative which the committee recommends in its report is the elimination of personnel ceilings from the Department of Defense. The Department, in a manner in 1973 and 1974 without an unwarranted increase in personnel. The case against ceilings is made in convincing fashion by the Comptroller General of the United States in its 1977 report "Civilian Personnel Ceilings—A Barrier to Effective Manpower Management." Hopefully the Armed Services and Post Office and Civil Service Committees will follow through on the interest they have shown in this area as well.

A number of recommendations in the bill are designed to reduce instances of duplication within the services. This duplication is all too common in studying common problems and in developing systems, such as communications, that are designed to serve all the services. Duplication not only results in wasted money, it also tends to lessen interoperability between the services and thus decrease readiness.

Controls are provided in the supply operations of the Department. While not particularly glamorous, improvements in the management of shelf life items, inventory control, and greater use of commercial items will improve performance and save money. A particular aspect that I have had some interest in is overpricing of small purchase items. The committee has discovered cases where items which could be made commercially at low cost are often bought at hundreds of times the price on sole source contracts. This bill will further initiatives to report such items through the use of financial incentives for those in the field who identify overpriced items. Insurance coverage is another area where improvements can and must be made. Increases for fuel costs alone in the budget amendment submitted by the President total nearly $900 million. By making better use of simulators, by reducing administrative travel, and by converting to lower cost fuels when available, I believe it provides incentives to reduce unneeded energy expenditures. This bill also includes funding for com-
continuation of our efforts to improve our conventional warfare capabilities. NATO is funded, in part, for initial procurement of the XM-1 tank pending successful meeting of reliability requirements. The infantry fighting vehicle, battlefield companion to the XM-1, is provided $225 million for its initial procurement. Budgeted funding for the new F-16 fighter, the Roland air defense system, and the NATO AWAC's program is also provided.

Completion of improvements in our NATO conventional capabilities will require several more years and will require considerable further investment. This bill provides a positive step on the road that avoids the temptation to push systems which are just completing their research and development phases. Past experience has shown that these attempts often result in systems which require far more maintenance and which are out of operation more than they are in operation. These systems have been addressed before procurement began.

The bill recognizes the serious shortfall we face in the area of naval aviation and the uneconomical procurement rates for those systems which were included in the President's budget. Thus, we have recommended the addition of over $700 million in this area to realize long-term savings and to reduce our shortfall in this area more expeditiously.

Research and development funding in the amount of $180 million for the short takeoff and landing AV-8B, Harrier, is also included despite its absence in the budget. This aircraft is of the highest priority for the Marine Corps and represents the only available vehicle for the further development of V/STOL aircraft for our future naval aviation needs.

Our shipbuilding budget remains an area of special concern for me. This bill provides funding for a nuclear aircraft carrier, an additional strategic Trident submarine, a Los Angeles class attack submarine and six Perry class frigates among the ships funded.

This bill is acceptable by the Department to retire 20 naval reserve destroyers and directors and the retention of 15 of them through overhaul improvements.

There remains serious question in my mind whether the funds in this area are adequate and I believe that unless the trend of recent revisions in the 5-year plan is reversed, we in the Congress will have to take the initiative in order to insure the adequacy of our naval forces.

In conclusion, Mr. Chairman, I am pleased to have had the opportunity to review this budget in detail. The bill I have received from the House will provide for our real defense needs in a more efficient manner and I urge support for it by this body.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield 3 minutes to the gentleman from Virginia (Mr. TRIBLE).

Mr. TRIBLE. Mr. Chairman, I appreciate the gentleman's comments. I think this matter should be of great concern to every Member of this body. Not only is our shipbuilding base imperiled, but most importantly, we are simply not procuring the number of ships our national interests demand and purchasing one nuclear attack submarine per year, awaiting the completion of a study now underway which may implement different nuclear attack submarine options or may not simply not be in our national interests.

We must build those ships today. If we are going to attain and maintain a minimum force level of 90 nuclear attack submarines we need to build more boats today.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield 1 additional minute to the gentleman from Virginia (Mr. TRIBLE) has again expired.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield 1 additional minute to the gentleman.

Mr. Chairman, if the gentleman will yield further, we have all that I think to consider. Of course, we have to consider in that equation the impact on the question of two yards building these submarines. I think that is basically the comment I made in my opening on this.

I appreciate the gentleman bringing it to the attention of the House.

Mr. TRIBLE. Well, I appreciate the gentleman's comments. I think this matter should be of great concern to every Member of this body. Not only is our shipbuilding base imperiled, but most importantly, we are simply not procuring the number of ships our national interests demand and purchasing one nuclear attack submarine per year, awaiting the completion of a study now underway which may implement different nuclear attack submarine options or may not simply not be in our national interests.

We must build those ships today. If we are going to attain and maintain a minimum force level of 90 nuclear attack submarines we need to build more boats today.

Mr. TRIBLE. Mr. Chairman, I bring this matter to the attention of my colleagues on the Committee on Appropriations because I want them to carefully consider the procurement program of nuclear attack submarines and the consequences to our national defense if we fail to procure an adequate number of attack submarines.

Mr. EDWARDS of Mississippi. Mr. Chairman, I yield such time as he may consume to the chairman of the full committee, the gentleman from Mississippi (Mr. Whitten).
Mr. WHITTEN. Mr. Chairman, I take this time for a number of reasons, but I want to start off by saying that I truly appreciate the fine job that has been done by the chairman and the members of this subcommittee. It has been my privilege to work with them for many years. I appreciate their work because my own experience goes back a long way on this subcommittee dealing with defense. I recall, in meeting with the late Commandant of the Marine Corps, General Wilson, I told him that I went back as far as the time when we had a budget for the Marine Corps and they turned back money from the Marine Corps to the Government. I take the floor here to say that defense is as vital now as it ever was. But real defense is what we need because what we have to spend on defense, as essential as it is, is a drag on the economic well-being of this country.

I have to say that when I referred to the一字, the chairman of the full committee, and I want to say to the country that the gentleman from New York (Mr. Addabbo) has proven to be a very excellent chairman of this subcommittee.

If we repeat again that we in this country, with the problems we see in connection with money and with our economy, are going to have to be awfully sure that we get real defense for the dollars we spend. Our defense needs are not just getting and spending dollars.

I want to say again that we in this country, with the problems we see in connection with money and with our economy, are going to have to be awfully sure that we get real defense for the dollars we spend. Our defense needs are not just getting and spending dollars.

I want to point out for the record again that the subcommittee's — I want to point out for the record again that our defense spending is one thing and our defense capability is another.

Before I finish, I would like to say that I have always supported the B-1 bomber. I think it is a whole lot better when we have control and can send a man aloft to show our strength and bring the bomber back instead of turning a missile loose and knowing it cannot be recalled.

I have supported—and I know the subcommittee has—more nuclear submarines. Let me tell the Members why. I was in Finland when the Russians were sending a lot of naval ships there, and when they did that, we would see a whole lot of straightening up in Sweden; we would see a lot of straightening up in that part of the world. I want the Members to strengthen themselves and use those things we can afford to use.

I have supported research in new weapons, and the committee has done a good job in this area. I say we ought to buy only those things we can use, because no one but a crazy man would use some of the exotic weapons we have today.

Mr. Chairman, I want to commend the subcommittee for the fine job the Members have done in getting as much defense as possible for our dollar. I want to say something about the approach we read about in the paper, because some of my colleagues say we can use, because we spend more money on the Guard and the Reserve, and the Joint Chiefs of Staff have said before the subcommittee that we have to spend more money on defense. We have to have them tell us what we need for defense, and we will find the money.

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

Mr. WHITTEN. I yield to my colleague the chairman of the subcommittee.

Mr. ADDABBO. Mr. Chairman, I think we should point out, as the gentleman has said, that he served as a member of the defense subcommittee and is now the chairman of the full committee, and again we see his great expertise in this area. The gentleman in the well is one of those that might damage this country.

The gentleman from Mississippi has had 25 years of knowledge and experience and his expertise is welcome in our subcommittee.

Mr. WHITTEN. Mr. Chairman, I appreciate the statement the gentleman from New York (Mr. Addabbo) has made, and I want to say to the country that the gentleman from New York (Mr. Addabbo) has proven to be a very excellent chairman of this subcommittee.

I want to repeat again that we in this country, with the problems we see in connection with money and with our economy, are going to have to be awfully sure that we get real defense for the dollars we spend. Our defense needs are not just getting and spending dollars.

Mr. Chairman, I want to say again that we in this country, with the problems we see in connection with money and with our economy, are going to have to be awfully sure that we get real defense for the dollars we spend. Our defense needs are not just getting and spending dollars.

Mr. ADDABBO. Mr. Chairman, I agree with the gentleman. I think we should point out, as the gentleman has said, that he served as a member of the defense subcommittee and is now the chairman of the full committee, and again we see his great expertise in this area. The gentleman in the well is one of those that might damage this country.

The gentleman from Mississippi has had 25 years of knowledge and experience and his expertise is welcome in our subcommittee.

Mr. WHITTEN. Mr. Chairman, I appreciate the statement the gentleman from New York (Mr. Addabbo) has made, and I want to say to the country that the gentleman from New York (Mr. Addabbo) has proven to be a very excellent chairman of this subcommittee.

I want to repeat again that we in this country, with the problems we see in connection with money and with our economy, are going to have to be awfully sure that we get real defense for the dollars we spend. Our defense needs are not just getting and spending dollars.

Mr. Chairman, I want to say again that if it had not been for Members of this Congress, we would not have a Guard or a Reserve or an opportunity for enlistment in the regular service. That is my decided opinion. Over the years the Congress has made it possible for the military to encourage enlistment in the Guard and the Reserve and in the regular service.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?
Mr. WHITTEN. I yield to the gentleman from Alabama.

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

I would like to endorse the statement the gentleman from Mississippi (Mr. WHITTEN) made dealing with our intelligence community.

Just last week, or perhaps it was 2 weeks ago, we were given a briefing by the Director of the CIA, Adm. Stansfield Turner, and some of the members of the subcommittee were taking him to task and asking, "Why didn't we have better intelligence as to the presence of Russian troops in Cuba? Why didn't we know more about it?" And so forth.

Admiral Turner's answer was in effect what the gentleman from Mississippi has just alluded to. He said that we cannot maintain the integrity or we cannot assure the secrecy due to the leaks from the committee, whether it be from sources within the House, within the Senate, or within the media community itself, nor can we attract people to give human intelligence rather than intelligence from some satellite or photograph, and so forth. And they do not have the respect for or the confidence in the intelligence community that they once had.

People are afraid, if they even do sign up to work for the FBI, the CIA, or some other intelligence agency, that their cover is going to be blown. Their whole career is going to be blown. Their whole career is going to be blown. They are afraid of it.

Mr. WHITTEN. Mr. Chairman, I appreciate the gentleman's statement.

Mr. ADDABBO. Mr. Chairman, I yield 4 minutes to the gentleman from New York (Mr. ADDABBO).

Mr. WHITTEN. Mr. Chairman, I want to take the opportunity of coming before my colleagues at this time because I am very disturbed over personal experiences that I have had dealing with the U.S. Army troops in Europe in our NATO command. I felt, Mr. Chairman—

and this is the Appropriations Committee we are talking about—when I came back from Europe in the early part of September that the problem perhaps really lay here in the Congress, that we were not making the proper kind of appropriations to support our troops in Europe, our combat troops in Europe.

Frankly, I am not at this time as to where the particular problem lies. I was in Berlin, I was in West Germany, I was in East Germany that happened to be the exact same area that I had American troops in World War II when I had the first American troops that faced the Russians in that same exact location that they are in today. There is no question that when my troops were facing the Russians in 1945, they were far more prepared, obviously, to do combat than the troops that are there today. That is very understandable. But my problem is that the troops that I saw there today are troops that, under any stretch of the imagination, they are not combat-ready troops, even though that is what they are indicated to be.

Mr. Chairman, those troops fire in live ammunition; they have not fired their tanks and their artillery weapons twice a year. I found tank drivers and gunners who had not fired live ammunition in over 10 months. I found forward observers who in one year had not observed live ammunition. These are the men who happened to be right on the so-called front line of the American defenses in that section.

I found that the situation that existed when I met with the general staff there and the generals in charge of training for all of the European forces, American European forces in NATO, at first they were saying that: First, they had inadequate supplies of ammunition; and, second, they recognized that they had inadequate lands to work on and areas to train in.

It just seems to me that it is going to fall on this Congress and on this Government to do something about these men that we have on these frontlines. The whole object of training in the infantry is to provide the type of training that would see the man through the first day of combat. From then on, presumably, he knew how to survive. I am saying, Mr. Chairman, that these men today do not know enough how to survive, which is my concern, and I want to feel very sure that it is not because of action that we are taking on this appropriation bill that can in any way be attached to that particular problem.

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

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

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

Mr. Chairman, I appreciate the gentleman bringing these facts to the attention of the committee. The subcommittee also has a special interest in part of Europe and has met with the people in the field, and we have discussed the matter in full with the Department of Defense.

This Congress today adequately supplies the money for training and for ammunition. As a matter of fact, we have just had to increase money for storage of ammunition. We have so much ammunition here and we are producing more. So there is sufficient ammunition, but insufficient storage facilities.

As far as training facilities are concerned, yes, our host nations—yes, our Government—have restricted training areas. So we are carefully looking at that. The Members heard earlier this afternoon we are creating a national training center so realistic conditions can be created here, so that we are deprived by our host nations from training areas, we will be doing that extra training here. So there are funds within this appropriation bill to give us adequate training and the ammunition that is needed.

Mr. PEYSER. I appreciate the statement of the chairman, and I do feel that it is going to fall on the Congress and the members of the appropriate committee and interested Members to stay on top of this particular situation and see what is happening with our Armed Forces.

Mr. EDWARDS of Alabama. Mr. Chairman, I yield 1 minute to the gentleman from Maryland (Mr. BAUMAN).

(By unanimous consent, Mr. BAUMAN was allowed to speak out of order.)

I HATE TO SAY IT, I TOLD YOU SO.

Mr. BAUMAN. Mr. Chairman, I take this time simply to inform my colleagues of the House of some information that I have just obtained from Panama. It appears that the celebration on October 1, which is planned by the Panamanian Government, at which time hundreds of thousands of Panamanians have been invited to march into the Canal Zone to celebrate the end of American sovereignty, will have a new star amongst its ranks if he accepts the invitation. I have just been informed that Gen. enar Torrijos, the dictator and true ruler of Panama, has invited Fidel Castro, the Communist ruler of Cuba, to join him, along with Vice President Mondale and many others who may be there for the celebration. Some of us warned you.

Mr. EDWARDS of Alabama. Mr. Chairman, I have no further requests for time.

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

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk reads as follows:

TITLE I
MILITARY PERSONNEL
MILITARY PERSONNEL, ARMY

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses therefor of organizational movements), and expenses of temporary duty travel, there is appropriated for members of the Army on active duty (except members of reserve components provided for elsewhere), cadets, and aviation cadets: $9,668,294,000.

AMENDMENTS OFFERED BY MR. DICKINSON

Mr. DICKINSON. Mr. Chairman, I offer amendments, and I ask unanimous consent to consider the amendments en bloc.
The CHAIRMAN. The Clerk will report the amendments.

The Clerk reads as follows:

Amendments offered by Mr. DICKINSON: On page 2, line 10, delete "$4,668,594,000," and insert in lieu thereof "$8,669,894,000."

On page 2, line 16, delete "$9,809,805,000," and insert in lieu thereof "$8,803,807,000."

On page 3, line 2, delete "$2,093,100,000," and insert in lieu thereof "$2,092,500,000."

On page 7, line 16, delete "$9,781,832,000," and insert in lieu thereof "$9,799,832,000."

On page 7, line 21, delete "$13,134,875,000," and insert in lieu thereof "$13,123,876,000."

On page 7, line 8 through 11, and insert in lieu thereof "$883,537,000.

The whole House on the request of the gentleman from Oklahoma (Mr. DICKINSON) making appropriations for the Department of Defense for the fiscal year ending September 30, 1980, and for other purposes, had come to no resolution thereon.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1603

Mr. EDWARDS of Oklahoma. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor from H.R. 1603.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

THE COSTS OF FEDERAL REGULATIONS

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

Mr. WATKINS. Mr. Speaker, I rise today to talk about Federal regulations and our duty to our constituents. The two go hand in hand because no day goes by that our constituents—every one of them—are not affected by Federal regulations.

Regulations have gotten completely out of hand. Congress passes the laws and the bureaucrats write the rules and regulations to carry out those laws—and Mr. Speaker, there are times the two look like night and day.

I am submitting as a part of my statement today a brief summary of findings resulting from some of the studies that have been done on the costs of Federal regulations, but I think some of those costs are worth mentioning here.

The Washington University Center for the Study of American Business has submitted the most frightening figures I have seen to date. The center estimates the aggregate cost of Federal regulations for fiscal year 1979 may come to more than $100 billion. That is almost $500 for every person in the United States or $2,000 for a family of four.

And the Paperwork Commission estimated that 1 year’s worth of Government documents would fill 11 new Washington monuments. Both of those figures are not beyond the realm of belief—and Congress cannot say its hands are clean in this matter.

Congress should be reviewing every rule and regulation proposed by an agency to carry out a law. We owe it to the people to make sure the agencies follow congressional intent when rules are handed down to implement laws because in effect, those rules are the law.

Another figure worth mentioning at this point comes from the Congressional Budget Office, which estimated earlier this year that it would be possible for both the House and Senate to review the aggregate annual costs of Federal regulations for $2 million in the coming fiscal year. Comparing $2 million to an estimate of $100 billion is like comparing a spring breeze to an Oklahoma tornado.

As you know, Mr. Speaker, many Members of this legislative body are concerned about the growth of Federal regulations and the staggering costs involved. The concern is worth our time and our work. My personal concern is the reason for the constitutional amendment that I introduced yesterday.

My proposal says Congress “shall review” each rule and regulation issued by Federal agencies for the fiscal year ending September 30, 1980, and for other purposes, had come to no resolution thereon.

The most frightening figures come from the Washington University Center of the Study of American Business, which found the aggregate cost of Federal regulation for fiscal year 1979 may come to more than $100 billion—or almost $500 for each person in the United States or almost $2,000 for a family of four.

According to center studies: The cost of Federal regulations on the business community is rising more rapidly than the Federal budget as a whole, the gross national product or the population. Outlays are showing a growth of 115 percent over the last 20 years.

Federalement mandated safety and environmental features increased the price of the average passenger car by $666 in 1978 or an aggregate of $10 billion.

Regulatory requirements at all levels of government added an average of $2,000 to the cost of a new house in 1977, resulting in an aggregate cost to new homeowners of $4 billion.

Approximately $10 billion of new private capital spending each year is going to meet governmentally mandated environmental, safety and similar regulations, which has resulted in a loss of about one-fourth (25 percent) of the potential annual increase in productivity.

The center says, “the ’70’s has been a period of growth in regulation unsurpassed since the Great Depression of the New Deal 1930’s,” and adds that regulations cut across all industries. Fifty-five separate independent agencies and organizations within executive departments administer Federal regulations. Overall current regulatory expenditures are nearly six times the 1970 level of expenditures and current staffing for regulatory activities is nearly three times the 1970 level.

On the other side of the coin, the Congressional Budget Office estimated in June of this year that it would be possible for both the House and Senate to review proposed rules and regulations for $2 million in the coming fiscal year, assuming 4,000 proposed rules a year and 1 to 2 staff days per rule for review.
MIDDLE EAST SITUATION REQUIRES DELICATE HANDLING

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

Mr. DEVINE. Mr. Speaker, it is sometimes difficult to tell whether the news media is having a love affair with an individual, but I think that the individual has a love affair with the media.

I am making reference to an individual who has presumed to interject himself into foreign policy decisions of this Nation, who has gone to the Middle East and has called the Israeli Prime Minister a racist. He has not been elected by anyone to do this, nor is he an official of the U.S. Government.

It seems to me when there is a very sensitive, delicate balance in peace in the Middle East that self-serving persons should not voluntarily, gratuitously interject themselves.

I would suggest that the Justice Department, if they have the guts to do so, examine this condition as it relates to the Logan Act, a copy of which is quoted as last week, an important statement of opposition to the Energy Mobilization Board's proposed authority to waive substantive State and local laws came from a quarter I imagine many will find surprising.

On September 21, the Western Regional Council, a confederation of 43 firms engaged in energy-related businesses, announced its opposition to legislation which would authorize the Board to override substantive provisions of State and local statutes. A number of these firms are directly involved in the development and commercialization of new energy technologies. They, along with other energy firms I have consulted, recognize the fundamental dangers of allowing five appointed men and women to exercise virtually unlimited power in energy decisionmaking.

The Western Energy Council is composed of the following firms:


LEGISLATIVE PROGRAM

(Mr. EDWARDS of Alabama asked and was given permission to address the House for 1 minute.)

Mr. EDWARDS of Alabama. Mr. Speaker, I ask for this time for the purpose of inquiring of the gentleman from Illinois (Mr. Rostenkowski) the program for the balance of the week.

Mr. ROSTENKOWSKI. If the gentleman will yield, the program is as follows:

Thursday we will consider the House concurrent resolution, the second budget resolution for fiscal year 1980; a conference report on the Department of Education Authorization Act; we will return to H.R. 5359, the defense appropriations, and complete consideration on that.

There is also the possibility of H.R. 2796, the International Travel Act authorizations, with votes on amendments and conclusion of the bill; and H.R. 3642, emergency medical services reauthorization; with votes on amendments and on the bill itself.

Mr. EDWARDS of Alabama. I did not hear the gentleman mention the FEC authorization bill. Is it not on this week?

Mr. ROSTENKOWSKI. The gentleman did not mention the FEC authorization bill; therefore, that is why the gentleman from Alabama did not hear it.

Mr. EDWARDS of Alabama. I thank the gentleman for clearing that up. I was afraid I was hard of hearing there for a minute.

Mr. ROSTENKOWSKI. As of this moment, it is not being considered by the leadership to be on the floor this week.

Mr. EDWARDS of Alabama. I thank the gentleman.

SPECIAL ORDERS GRANTED

(by unanimous consent, permission to address the House for 1 minute, only to legislative program and any special orders heretofore entered, was granted to:)

(The following Members (at the request of Mr. Buhlton), to revise and...
extend their remarks and to include ex. 36(c) of the Arms Export Control Act; to the Committee on Foreign Affairs.

Mr. BURLISON, for himself, Mr. SEBELIS, Mr. DUNCAN of Tennessee, Mr. TRAXLER, Mr. HECKLER, Mr. JACOBS, Mr. MOORE, Mr. CECILIO, Mr. FURHILL, Mr. JOHNSON of Colorado, Mr. ANDREWS of North Dakota, Mr. HABSCH, Mr. O'BRIEN, Mr. CORCORAN, Mr. LOTT, Mr. COLEMAN, Mr. WHITAKER, Mr. MARLENEE, Mr. KEMP, Mr. GRAYSBECK, Mr. FRANKEL, and Mr. NOLAN.

Mr. STAGGERS. Committee on Interstate and Foreign Commerce.

Mr. GIORDANO. Committee on Armed Services.

Mr. WEAVER, for 5 minutes today.mitting various project performance audit reports prepared by the National Bank for Reconciliation and Development, pursuant to section 5(c)(1) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

Mr. BURLISON, Mr. GINGRICH, Mr. STAGGERS.

Mr. FITHIAN, Mr. GREEN, Mr. FRENZEL, Mr. WHITAKER, Mr. MARLENEE, Mr. KEMP, Mr. GRAYSBECK, Mr. FRANKEL, and Mr. NOLAN.

Mr. STAGGERS. Committee on Interstate and Foreign Commerce.

Mr. GIORDANO. Committee on Armed Services.

Mr. WEAVER, for 5 minutes today.mitting various project performance audit reports prepared by the National Bank for Reconciliation and Development, pursuant to section 5(c)(1) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

Mr. BURLISON, Mr. GINGRICH, Mr. STAGGERS.

Mr. FITHIAN, Mr. GREEN, Mr. FRENZEL, Mr. WHITAKER, Mr. MARLENEE, Mr. KEMP, Mr. GRAYSBECK, Mr. FRANKEL, and Mr. NOLAN.

Mr. STAGGERS. Committee on Interstate and Foreign Commerce.

Mr. GIORDANO. Committee on Armed Services.

Mr. WEAVER, for 5 minutes today.mitting various project performance audit reports prepared by the National Bank for Reconciliation and Development, pursuant to section 5(c)(1) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

Mr. BURLISON, Mr. GINGRICH, Mr. STAGGERS.

Mr. FITHIAN, Mr. GREEN, Mr. FRENZEL, Mr. WHITAKER, Mr. MARLENEE, Mr. KEMP, Mr. GRAYSBECK, Mr. FRANKEL, and Mr. NOLAN.

Mr. STAGGERS. Committee on Interstate and Foreign Commerce.

Mr. GIORDANO. Committee on Armed Services.

Mr. WEAVER, for 5 minutes today.mitting various project performance audit reports prepared by the National Bank for Reconciliation and Development, pursuant to section 5(c)(1) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

Mr. BURLISON, Mr. GINGRICH, Mr. STAGGERS.

Mr. FITHIAN, Mr. GREEN, Mr. FRENZEL, Mr. WHITAKER, Mr. MARLENEE, Mr. KEMP, Mr. GRAYSBECK, Mr. FRANKEL, and Mr. NOLAN.

Mr. STAGGERS. Committee on Interstate and Foreign Commerce.

Mr. GIORDANO. Committee on Armed Services.

Mr. WEAVER, for 5 minutes today.mitting various project performance audit reports prepared by the National Bank for Reconciliation and Development, pursuant to section 5(c)(1) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

Mr. BURLISON, Mr. GINGRICH, Mr. STAGGERS.

Mr. FITHIAN, Mr. GREEN, Mr. FRENZEL, Mr. WHITAKER, Mr. MARLENEE, Mr. KEMP, Mr. GRAYSBECK, Mr. FRANKEL, and Mr. NOLAN.

Mr. STAGGERS. Committee on Interstate and Foreign Commerce.

Mr. GIORDANO. Committee on Armed Services.

Mr. WEAVER, for 5 minutes today.mitting various project performance audit reports prepared by the National Bank for Reconciliation and Development, pursuant to section 5(c)(1) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

Mr. BURLISON, Mr. GINGRICH, Mr. STAGGERS.

Mr. FITHIAN, Mr. GREEN, Mr. FRENZEL, Mr. WHITAKER, Mr. MARLENEE, Mr. KEMP, Mr. GRAYSBECK, Mr. FRANKEL, and Mr. NOLAN.

Mr. STAGGERS. Committee on Interstate and Foreign Commerce.

Mr. GIORDANO. Committee on Armed Services.

Mr. WEAVER, for 5 minutes today.mitting various project performance audit reports prepared by the National Bank for Reconciliation and Development, pursuant to section 5(c)(1) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

Mr. BURLISON, Mr. GINGRICH, Mr. STAGGERS.

Mr. FITHIAN, Mr. GREEN, Mr. FRENZEL, Mr. WHITAKER, Mr. MARLENEE, Mr. KEMP, Mr. GRAYSBECK, Mr. FRANKEL, and Mr. NOLAN.

Mr. STAGGERS. Committee on Interstate and Foreign Commerce.

Mr. GIORDANO. Committee on Armed Services.

Mr. WEAVER, for 5 minutes today.mitting various project performance audit reports prepared by the National Bank for Reconciliation and Development, pursuant to section 5(c)(1) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

Mr. BURLISON, Mr. GINGRICH, Mr. STAGGERS.

Mr. FITHIAN, Mr. GREEN, Mr. FRENZEL, Mr. WHITAKER, Mr. MARLENEE, Mr. KEMP, Mr. GRAYSBECK, Mr. FRANKEL, and Mr. NOLAN.

Mr. STAGGERS. Committee on Interstate and Foreign Commerce.

Mr. GIORDANO. Committee on Armed Services.

Mr. WEAVER, for 5 minutes today.mitting various project performance audit reports prepared by the National Bank for Reconciliation and Development, pursuant to section 5(c)(1) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

Mr. BURLISON, Mr. GINGRICH, Mr. STAGGERS.

Mr. FITHIAN, Mr. GREEN, Mr. FRENZEL, Mr. WHITAKER, Mr. MARLENEE, Mr. KEMP, Mr. GRAYSBECK, Mr. FRANKEL, and Mr. NOLAN.

Mr. STAGGERS. Committee on Interstate and Foreign Commerce.

Mr. GIORDANO. Committee on Armed Services.

Mr. WEAVER, for 5 minutes today.mitting various project performance audit reports prepared by the National Bank for Reconciliation and Development, pursuant to section 5(c)(1) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

Mr. BURLISON, Mr. GINGRICH, Mr. STAGGERS.

Mr. FITHIAN, Mr. GREEN, Mr. FRENZEL, Mr. WHITAKER, Mr. MARLENEE, Mr. KEMP, Mr. GRAYSBECK, Mr. FRANKEL, and Mr. NOLAN.

Mr. STAGGERS. Committee on Interstate and Foreign Commerce.

Mr. GIORDANO. Committee on Armed Services.

Mr. WEAVER, for 5 minutes today.mitting various project performance audit reports prepared by the National Bank for Reconciliation and Development, pursuant to section 5(c)(1) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

Mr. BURLISON, Mr. GINGRICH, Mr. STAGGERS.

Mr. FITHIAN, Mr. GREEN, Mr. FRENZEL, Mr. WHITAKER, Mr. MARLENEE, Mr. KEMP, Mr. GRAYSBECK, Mr. FRANKEL, and Mr. NOLAN.

Mr. STAGGERS. Committee on Interstate and Foreign Commerce.

Mr. GIORDANO. Committee on Armed Services.

Mr. WEAVER, for 5 minutes today.mitting various project performance audit reports prepared by the National Bank for Reconciliation and Development, pursuant to section 5(c)(1) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

Mr. BURLISON, Mr. GINGRICH, Mr. STAGGERS.

Mr. FITHIAN, Mr. GREEN, Mr. FRENZEL, Mr. WHITAKER, Mr. MARLENEE, Mr. KEMP, Mr. GRAYSBECK, Mr. FRANKEL, and Mr. NOLAN.
ENTITLED TO VOTE IN CERTAIN ELECTIONS CONDUCTED AMONG MEMBERS OF LABOR ORGANIZATIONS UNLESS SUCH ALIENS HAVE BEEN NATURALIZED AS CITIZENS OF THE UNITED STATES; JOINTLY, TO THE COMMITTEE ON EDUCATION AND LABOR AND INTERSTATE AND FOREIGN COMMERCE.

By Mr. YOUNG of Alaska (for himself, Mr. TEEN, Mr. JASON, Mr. LENT, Mr. JEFFERS, Mr. WHITEHURST, Mr. SYMS, and Mr. LOTY):
H. Res. 246. A bill to provide for the transfer of various fisheries technologies and techniques, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. HANSEN (for himself and Mr. Syms):
H. Res. 5417. A bill to exempt the Miller Dam from certain requirements of the Federal Power Act (16 U.S.C. 867), and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PHILLIP BURTON:
H. Con. Res. 191. Concurrent resolution to authorize the Secretary of the Interior to provide for the commemoration of the efforts of Goodloe Byron to protect the Appalachian Trail; to the Committee on Interior and Insular Affairs.

By Mr. BROOKS (by request):
H. Res. 428. Resolution to disapprove Reorganization Plan No. 3, transmitted by the President on September 25, 1979; to the Committee on Government Operations.

By Ms. FERRARO:
H. Res. 429. Resolution commending Pope John Paul II, and welcoming him to the United States; to the Committee on Foreign Affairs.

By Mr. MURPHY of New York:
H. Res. 430. Resolution to provide for the further expenses of investigations and studies to be conducted by the Committee on Merchant Marine and Fisheries; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS
Under clause 1 of rule XXII,
Mr. MITCHELL of New York presented a bill (H.R. 5418) for the relief of Rev. Anthony Petel, which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS
Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:
H. R. 810: Mr. LOTT.
H. R. 1000: Mr. PAUL.
H. R. 2279: Mr. HANSEN, Mr. CONTE, and Mr. SAWTER.
H. R. 2997: Mr. COLEMAN and Mr. SOLARE.
H. R. 3614: Mr. COUGHLIN and Mr. BOSTEN-ROWHE.
H. R. 3061: Mr. BRINKLEY.
H. R. 4466: Mr. ARAKA, Mr. ALEXANDER, Mr. APPLEGATE, Mr. BREVIL, Mrs. BOUGUARD, Mr. BOWEN, Mr. BREAUTX, Mr. DASCHLE, Mr. FLIPPO, Mr. FOWLER, Mr. GINN, Mr. GHANEK, Mr. HEFFNER, Mr. HINSON, Mr. HOLLAND, Mr. LEEBER, Mr. LEHMANN, Mr. MAZELLI, Mr. NEL-SON, Mr. NICHOLS, Mr. PEPPER, Mr. PEG, Mr. RAHALL, Mr. SHUSTER, Mr. EMORY, Mr. JONES of Tennessee, Mr. ANTHONY, and Mr. Kosove.
H. R. 4943: Mr. HUGHES.
H. R. 4970: Mr. MITCHELL and Mr. Ford of Tennessee.
H. R. 5048: Mr. BUTLER, Mr. DANNENBERG, Mr. FISHER, Mr. FITZGERALD, Mr. WHITEHURST, Mr. PHILLIP BURTON, Mr. CAREY, Mr. DOWNY, Mr. GIBBONS, Mr. MAGUIRE, Mr. OTTINING, Mr. RE- JULA, Mr. ROBSON, Mr. SEIDERLING, Mr. SLOKKE, Mr. STARK, Mr. UDALL, Mr. WATSON, Mrs. SPELLMAN, and Mr. EDWARDS of Oklahoma.
H. R. 5114: Mr. SHUMWAY, Mr. BADHAM, Mr. LENT, and Mr. RICHARDS.
H. R. 5162: Mrs. BYRON, Mr. FISHER, and Mr. FAUNTWORTH.
H. R. 5308: Mr. CONOBAY, Mr. FINELEY, Mr. ELOOM, Mr. TAUBE, Mr. VOLKMER, Mrs. BOUGUARD, Mr. CLEVELAND, Mr. CHENET, and Mr. NEAL.
H. R. 5309: Mr. LOTT and Mr. BURGNER.
H. J. Res. 68: Mr. AMBRO, Mr. ANNUNZIATO, Mr. BROHDE, Mr. BURGNER, Mr. JOHN L. BURTON, Mr. CAMPBELL, Mr. DANIEL B. CRANE, Mr. DOCHERTY, Mr. EILENBERG, Mr. EULSE, Mr. EVANS of Indiana, Mr. FITZMAN, Mr. FOLEY, Mr. GARCIA, Mr. GILMAN, Mr. GOODLING, Mr. HAMILTON, Mr. LEWIS, Mr. ROFLEFFER, Mr. LONG of Illinois, Mr. MCMURDO, Mr. MAGUIRE, Mr. MICHIEL, Mr. MOORE, Mr. MYERS of Indiana, Mr. PATTON, Mr. PATTERSON, Mr. PAUL, Mr. FINKINS, Mr. QUAYLE, Mr. RAILEBACK, Mr. RINGALDO, Mr. ROYBAL, Mr. ROYCE, Mr. BATTER-FIELD, Mr. SHARP, Mr. SHUSTER, Mr. STOCKMAN, Mr. STUMP, Mr. TRENN, Mr. VANDER JAST, and Mr. WEISSEL.

DELETION OF SPONSORS
Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:
H. R. 1903: Mr. EDWARDS of Oklahoma.
H. R. 4390: Mr. HUGHES.

AMENDMENTS
Under clause 6 of rule XXIII, proposed amendments were submitted as follows:
H. R. 5359
By Mr. KRAMER:
—Page 62, after line 7, add the following new section:
Sec. 776. None of the funds appropriated by this Act may be used to reduce the personnel of the Commission on Pollution at any United States naval installation or facility at Guantanamo Bay, Cuba, or to reduce any military functions which are primarily supported by such installation or facility.
—By Mr. MILLER of California:
—Insert on page 62, after line 7, new section 776:
None of the funds appropriated under this Act may be used for chemical, biological, or radiological experiments on non-consenting civilian populations.

EXTENSIONS OF REMARKS
THE NEED FOR AN OIL-SPOIL SUPERTUND—PART II
HON. JOHN M. MURPHY
OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES
Wednesday, September 26, 1979

Mr. MURPHY of New York. Speaker, the urgency of problems associated with oil pollution has underscored in recent weeks by several casualties.

On June 30, the container ship Sea Speed Arabia ran aground off Staten Island in the discharge of 100,000 gallons of diesel oil that virtually surrounded Staten Island and polluted the waters of upper and lower New York Bay. Beaches and parks were closed and marinas were closed for many miles from the origin of the spill.

On July 19, the supertankers Acejan Captain and Atlantic Empress collided off the coasts of the island nation, Trini-

dad and Tobago. Both ships were holed, creating a gigantic oil spill that only chance took out to sea instead of onto the resort beaches of the island. The need for prompt action on H.R. 85, a bill to provide a comprehensive system of liability and compensation for oil-spill damage, is urgent.

H.R. 6803, the predecessor of H.R. 85, was enacted into law last October, U.S. citi­zens suffering damage from the Staten Island spill and the IXTOC I incident would now have quick and effective means to obtain compensation.

H.R. 85 represents the distillation of several years of deliberations on this matter by the Congress and by the admin­istration of three Presidents. The subject of an oil pollution superfund, in all its ramifications, has been thoroughly studied, analyzed, and debated. The need for such a compensation system is abundantly clear. The time has now arrived—indeed is overdue—for final legislative decisions on an oilspill superfund, decisions that should be made as rapidly as possible and with the press of other business will allow.

This clear course of action should not be allowed to become impeded by hurried

* This “bullet” symbol identifies statements or insertions which are not spoken by the Member on the floor.