RECESS UNTIL 9:30 A.M. TOMORROW

Mr. MATSUNAGA. Mr. President, if there be no further business to come before the Senate, I move in accordance with the previous order, that the Senate stand in recess until the hour of 9:30 a.m. tomorrow.

The motion was agreed to and, at 6:16 p.m., the Senate recessed until tomorrow, November 14, 1979, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate November 13, 1979:

DEPARTMENT OF TRANSPORTATION

Theodore Compton Lutz, of Virginia, to be Urban Mass Transportation Administrator, vice Richard Stephen Page, resigned.

SUPERIOR COURT OF THE DISTRICT OF COLUMBIA

Iraline Green Barnes, of the District of Columbia, to be an associate judge of the Superior Court of the District of Columbia for a term of 15 years, vice W. Byron Sorrell, retired.

HOUSE OF REPRESENTATIVES—*Tuesday, November 13, 1979*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Let not your hearts be troubled, neither let them be afraid.—John 15: 27b.

Gracious Lord, out of the depths of our hearts we call upon You to hear our prayers and support us with Your spirit. By ourselves we are fearful and realize our limitations. Yet, O Lord, You can calm our anxiety and apprehension and give us assurance for the future. Where we are fainthearted, give us Your strength, and where we are troubled, remind us of Your eternal promise that You are with us and will sustain us, now and evermore, even to the ends of the world. In Your name, 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 had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 68. Joint resolution to authorize the President to issue a proclamation designating the week beginning on November 18, 1979, as "National Family Week."

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

H.R. 4955. An act to authorize additional appropriations for migration and refugee assistance for the fiscal years 1980 and 1981 and to authorize humanitarian assistance for the victims of the famine in Cambodia.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3354) entitled "An act to authorize appropriations for fiscal year 1980 for conservation, exploration, development, and use of naval petroleum reserves and naval oil shale reserves, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 239) entitled "An act to authorize appropriations for programs under the Domestic Volunteer Service Act of 1973, to amend such act to facilitate the improvement of programs carried out thereunder, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1037) entitled "An act to establish an actuarially sound basis for financing retirement benefits for police officers, fire fighters, teachers, and judges of the District of Columbia and to make certain changes in such benefits."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1319) entitled "An act to authorize certain construction at military installations, and for other purposes."

The message also announced that the Senate has passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 5359. An act making appropriations for the Department of Defense for the fiscal year ending September 30, 1980, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 5359) entitled "An act making appropriations for the Department of Defense for the fiscal year ending September 30, 1980, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. STENNIS, Mr. MAGNUSON, Mr. PROXMIRE, Mr. INOUYE, Mr. HOLLINGS, Mr. EAGLETON, Mr. CHILES, Mr. BAYH, Mr. YOUNG, Mr. STEVENS, Mr. SCHWEIKER, Mr. BELLMON, Mr. WEICKER, and Mr. GARN to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4930) entitled "An Act making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1980, and for other purposes," and that the Senate agree to the House amendments to the Senate amendments numbered 1, 3, 17, 24, 30, 37, 38, 40, 48, 49, 50, 51, 52, 53, 56, 58, 59, 67, 74, 91, 94, 107, 108, and 109 to the foregoing bill.

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

S. 916. An act to amend the Act of September 30, 1950 (Public Law 874, 81st Congress) to provide education programs for Native Hawaiians, and for other purposes.

AMERICA CANNOT BE BLACKMAILED WITH OIL

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

Mr. WRIGHT. Mr. Speaker, the President has done the right thing in discontinuing the purchase of any Iranian oil. This action should make it clear to Iran and every other country that the United States will not be blackmailed because of our dependence upon their oil. This should help erase from their minds any image of the United States as a helpless oil junkie who can be humiliated because of that addiction.

Perhaps now they will begin to understand that we value American blood far more than we value their oil—and that even more than that we value our self-respect. They will fully understand this of course when we have finished doing the things we have begun to make this Nation energy independent once more.

The Congress has an excellent record so far this year on energy initiatives. I include at this point in the RECORD a current status report on major energy legislation.

ENERGY LEGISLATION—STATUS OF MAJOR PENDING PROPOSALS

Windfall Profits Tax.—The House passed a nearly 60 percent windfall profits tax on newly decontrolled oil in June and is awaiting full Senate action on the legislation.

Home Energy Assistance.—The House adopted an urgent, separate supplemental appropriation of $1.35 billion for fiscal 1980 for low-income energy assistance to be channeled to the needy by both the federal and state governments. This money would be added to $250 million previously appropriated for this purpose. The Senate has approved $1.2 billion for such assistance in its version of the Interior Appropriations bill. The matter is now in conference.

Synthetic Fuels.—The House has approved both authorizing legislation and a $1.5 billion appropriation for synthetic fuels development in the Interior Appropriations bill. The

□ This symbol represents the time of day during the House Proceedings, e.g., □ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

Senate has approved a differing version and the bill is in conference.

Standby Gasoline Rationing.—Both the House and Senate have approved and the President has signed into law new standby authority for gasoline rationing in an emergency. The measure also authorizes motor fuel conservation programs. The bill, which includes diesel fuel, can be an effective defensive weapon should a crisis develop.

Department of Energy.—The House has passed and sent to the Senate a $6.9 billion Department of Energy Authorization bill for fiscal 1980 which seeks to put the nation on the offensive on energy. Included are authorizations for research and demonstration projects covering everything from solar to nuclear, coal to tar sands.

Department of Transportation.—DOT appropriations bill for fiscal 1980 is another measure containing positive steps to improve the national energy picture. The House-approved bill includes funds for additional urban and suburban mass transportation, engine and fuel research projects, urban formula grants, and important additional assistance for railroad improvements and rehabilitation. The Senate passed its version last week, and a conference was convened November 2.

Energy Mobilization Board.—After a spirited battle over two competing versions sponsored by leaders of the Commerce and Interior Committees, the House last week passed legislation to create a federal board to cut through red tape which causes delays in energy projects, such as pipelines and refineries. The Senate has passed its version of this legislation, and a conference between the two bodies is expected soon.

Solar Energy.—The House Banking Committee has favorably reported H.R. 605, legislation to create a Solar Energy Development Bank to provide long-term, commercial and residential, low-interest loans for purchase and installation of solar energy equipment. The House Science Subcommittee on Energy Development and Application is working on legislation to further promote solar research.

The President has already signed into law the Energy and Water Appropriations bill, which includes $620.8 million for solar energy development and applications for fiscal 1980.

Conservation.—The House Commerce Subcommittee on Energy and Power is working on legislation to promote industrial, commercial and residential energy conservation and to provide for reimbursements for part of the cost of installing energy conservation items in business and homes. The House Banking Committee has reported legislation to provide subsidized energy conservation loans.

Senate Approach.—The Senate Energy Committee has reported favorably an omnibus energy bill which includes conservation, synthetics, gasohol, solar bank, and geothermal research, all matters which involve the jurisdictions of several different House subcommittees which deal with energy legislation. Senate and House leaders are working on a procedure to handle the versions of the two bodies.

APPOINTMENT OF CONFEREES ON H.R. 5359, DEPARTMENT OF DEFENSE APPROPRIATIONS, 1980

Mr. ADDABBO. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 5359) making appropriations for the Department of Defense for the fiscal year ending September 30, 1980, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from New York? The Chair hears none, and appoints the following conferees: Messrs. ADDABBO, FLOOD, GIAIMO, CHAPPELL, BURLISON, MURTHA, DICKS, WHITTEN, EDWARDS of Alabama, ROBINSON, KEMP, and CONTE.

QUESTIONNAIRE ON TELEVISION COVERAGE OF HOUSE PROCEEDINGS

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

Mr. ROSE. Mr. Speaker, in March of this year the House began televising its floor proceedings. The proceedings of this body now go across this entire country to some 500 cable television stations reaching into many millions of homes so that the American public can view the proceedings as we conduct them here on the floor of the House.

I have sent to my colleagues' offices today a questionnaire asking certain questions to you as Members of the House as to how you personally perceive the effect this television system has had on your ability to do your job. I would be gratefully appreciative if you would return that questionnaire to me as soon as you can, and call me if you would like to personally discuss the future of the House television system from a suggestion point of view.

PRESIDENT CARTER'S FORCEFUL ACTION ON AMERICAN HOSTAGES HELD BY IRAN

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

Mr. STRATTON. Mr. Speaker, I want to express my hearty endorsement of the forceful action taken yesterday by President Carter in ordering an immediate cutoff of Iranian oil imports to the United States, so that in our efforts to resolve the problem of American hostages held by Iran there would be no possible misinterpretation that our actions were motivated by economic considerations or possible loss of gasoline for our automobiles.

This is the second forceful action which President Carter has taken to deal with this situation. Earlier he followed suggestions made by many Americans that we should begin the deportation of Iranian students in this country, at least those who are here illegally and are in violation of American laws and hospitality.

I would expect that before the matter is resolved the President may take still further steps to put the squeeze on Iran and indicate the grave concern which the American people have for these outrageous, irrational, and totally illegal actions taken by the Iranian authorities.

Not since the Japanese attack on Pearl Harbor unified a deeply divided America, Mr. Speaker, have I seen the American people so aroused and so unified in their determination that we respond forcefully and effectively to these Iranian actions against innocent American hostages. When I had the opportunity to announce the President's decision at a Veterans' Day luncheon in Albany, N.Y., I am happy to report that the President's decision was greeted with tremendous applause and tremendous support.

Until now the American people have fought violently against any action that might interfere with their constitutional right to drive their automobiles as long and as far as they wish. But the Ayatollah Khomeini has done what no other American leader has been able to do; namely, to convince Americans to give up some of their gasoline in order to speed the release of these hostages.

Already it appears that the President's forceful action is getting results.

Mr. Speaker, I commend the President for what is clearly firm leadership in this crisis, and in speeding the day when these hostages will be released he has perhaps also speeded the day when we can find a satisfactory solution to our nagging energy crisis.

SUPPORT FOR PRESIDENT CARTER'S DECISION TO STOP IMPORTATION OF IRANIAN OIL

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

Mr. VOLKMER. Mr. Speaker, I want to express my support for President Carter's decision to stop importation of Iranian oil. It is imperative that the United States show Iran that we will not be blackmailed. American lives are much more important than the oil Iran has to offer. I plan to conserve on my personal fuel use immediately, and I call on all Americans to do the same. With just minor conservation efforts by all Americans we can get by without the Iranian oil.

I want to also take just a moment to thank Americans and especially students all over the United States for their strong support of the hostages in Iran and I would hope this nonviolent approach will be viewed by the world as a sign that the United States is committed to their people. I believe the American people are ready to live without Iranian oil forever. We will not be harassed or blackmailed by any country when American lives are at stake.

NUCLEAR POWER TO REPLACE IRANIAN OIL

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

Mr. McCORMACK. Mr. Speaker, I, too, commend the President for his strong action in cutting off the importation of oil from Iran. America is united behind the President on this matter.

In that respect, Mr. Speaker, the Sub-

committee on Energy Research and Production of the Science and Technology Committee will conduct a hearing tomorrow at 9 a.m. on the progress of improvements made in our nuclear powerplants as a result of the lessons learned from the Three Mile Island accident.

Dr. John G. Kemery, Chairman of the President's Commission on the Three Mile Island Accident, along with Dr. Joseph Hendrie, Chairman of the Nuclear Regulatory Commission, Dr. Floyd Culler, president of the Electric Power Research Institute, and Dr. Floyd Lewis, chairman of Mid-South Utilities, will all testify before the subcommittee.

Members of the House, and the public in general, will be interested to know that the 15 nuclear plants that are not yet on line, but which can be on line by the end of 1980, will produce the electric energy equivalent of about 500,000 barrels of oil a day, about two-thirds of the amount of oil we have been importing from Iran.

A rational, positive U.S. energy plan, which will earn the respect of the world, will, of course, emphasize bringing these plants on the line in an expeditious and orderly manner.

PEACEFUL DEMONSTRATIONS AGAINST IRAN BY AMERICAN STUDENTS SHOULD MAKE US PROUD

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

Mr. LATTA. Mr. Speaker, watching our college students demonstrating for their country and for the release of the Americans being held hostage in Tehran should make every American proud. No one had to tell them that another unjustifiable attempt at blackmail was being made against their country and that we had had enough. No one had to remind them that the United States of America is made up of a civilized and humanitarian people who have a long and a cherished history of coming to the aid of friend and foe alike in times of absolute need and that we, and no one else, will determine our role in the world.

Their demonstrations have been sincere, spontaneous, effective, and restrained. Their activities have certainly had an influence on the President and have encouraged him to take action in this matter.

Our students have not had to resort to a taking of hostages to get their point across, and I urge the college students in Tehran to ponder this fact.

PRESIDENT CARTER'S ACTION NOT TOUGH ENOUGH

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

Mr. ASHBROOK. Mr. Speaker, I would honestly like to get up this afternoon and join our majority leader in the chorus of praise for President Carter but unfortunately, I cannot. The President and his advisers have come up a day late and a dollar short in their handling of the Iranian crisis. Last week, when many of us publicly called for an embargo of Iranian oil, we did so in an effort to take a strong diplomatic stand against the terrorist-infested regime of the Ayatollah Khomeini. We wanted to show those radicals that we were indeed capable of standing up to our enemies in the face of an irrational and immoral terrorist attack. Unfortunately, Mr. Carter waited too long before deciding to exercise some leadership. The ayatollah had already decided to play his oil card and this so-called tough stand has been rendered meaningless. We are no better off today than we were last week—and more importantly—some 60 Americans are still being held hostage by the terrorists in Tehran.

The problem now is the same problem we had in January 1977 and the same as it has been for the last 3 years—the advisers who surround the President. With the likes of Andy Young, who for years has been spewing anti-American statements, it is little wonder we would face blackmail. When the demagogs seized control in Iran, the liberal community hailed this as a new era of liability. Andy Young even went so far as to say that Khomeini might even be a saint someday.

The same gaggle of McGovern. Those 1972 advisers are the architects of the disastrous politics of the last 3 years, the Iranian fiasco being only one more episode in their sorry chapter; yet the Iranian dissidents urged the State Department clichés, which have brought us to this sorry state, to go along with them.

Any good poker player knows that you can bluff for so long before everybody in the game begins to catch on. That is exactly what has happened in this crisis. The Iranian Government realizes that the White House is incapable of handling a crisis and they intend to continue slapping the sleeping giant in the face. We will continue to get nowhere until Mr. Carter and his State Department advisers decide to get tough with the terrorists.

The Iranian Government, by issuing its support and cooperation to the radical students, has effectively lost its right to diplomatic immunity. Adolf Hitler, on his worst day, never violated the sanctity of an embassy. Our President should immediately sever diplomatic relations with the Government of Iran. Those Khomeini sympathizers in the United States should be told today that they have 30 days to leave the country voluntarily before they are forcefully expelled. Maybe then, the Ayatollah will understand that we are ready to get down to business.

Too many American lives are at stake to consider strong-arm tactics at this time but I am confident that if this Government takes a strong diplomatic stance against that tin-horn dictator in Iran, we may be able to peacefully bring about an end to this crisis.

Mr. Speaker, Americans of all political ideologies are up in arms over this tragedy. For the first time in a long time, pro-American demonstrations are being organized on the campuses of colleges and universities. Constituents in my district are initiating petition drives, urging Mr. Carter to get tough. It is clear that Americans want some action. Let us give it to them.

□ 1210

UNITED STATES MUST NOT BOW TO AYATOLLAH KHOMEINI'S PERSONAL VENDETTA

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

Mr. LIVINGSTON. Mr. Speaker, last week I wrote the President, urging him to take firm action with regard to Iran. I suggested deportation of Iranian students, expulsion of the Iranian Embassy, and termination of all trade relationships with Iran, pending the release of the Americans held in our Embassy in Tehran.

Today I want to reiterate my strong feeling that we must not bow to the personal vendetta of a fanatic who has directed a calculated affront against the people of the United States. The safety of our people being held hostage must be our first concern, but we must also give clear notice to the Ayatollah Khomeini that we intend to deal with him firmly.

I understand that the United States is now lending Iran $1.2 billion a year to buy food from this country. The President has taken the right step in cutting out oil imports from Iran. As further evidence of our national resolve, I believe that we should stop all programs enabling Iran to purchase foodstuffs from this country until they demonstrate that they are prepared to live in peace with our people. We must protect the security of our Embassies and our citizens abroad, and we must demonstrate that we will not permit others to take advantage of our generosity.

NEW SYMBOL OF ENERGY CONSERVATION—A BURNING AMERICAN FLAG

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

Mr. EVANS of Delaware. Mr. Speaker, thanks to the Ayatollah Khomeini, the United States now has a new symbol of energy conservation—a burning American flag.

The mobs in Tehran have shown us the vulnerability of the United States to unstable sources of foreign oil, and they have galvanized the American people into action as no act of Congress ever could.

But the mobs in Tehran have made a serious mistake. They have assumed that Americans were willing to sell themselves out for a bucketful of oil. They are wrong. National pride, honor and self-respect are far more valuable to this country than Iranian oil, and President Carter was absolutely correct in stopping imports of Iranian oil into the United States. Now the administration must go one step further. It must call upon other

countries of the world, particularly our Allies in Europe, to stop imports of Iranian oil into their countries until the hostages are released and our Embassy returned to the control of American officials.

The world must band together against this outlaw action, or it shall endure repeats of this terrible situation again and again.

IRANIAN OIL

(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, yesterday President Carter halted U.S. purchases of Iranian oil, a move which we all applaud.

While some say this is a symbolic gesture, and may not bring about the immediate release of the American hostages, it does demonstrate that the American people are unified and resolute in opposing terrorism, blackmail and oil-barrel diplomacy.

As I did last week, I am again urging the President to take this boycott one step further. In negotiating with America's allies, urging them to join in and expand our boycott of Iranian oil. The President should also take whatever steps are necessary to end all U.S. military and economic assistance to that nation.

For this boycott to be effective, it is necessary that the President have the full dedication and support of the American public. I urge each and every citizen and our State and local governments to take the necessary steps to conserve fuel. In this time of crisis we must all pull together to demonstrate our Nation's resolve and fortitude.

PERMISSION FOR SUBCOMMITTEE ON ENERGY RESEARCH AND PRODUCTION OF COMMITTEE ON SCIENCE AND TECHNOLOGY TO MEET WEDNESDAY, NOVEMBER 14, 1979, AT 9:30 A.M.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Subcommittee on Energy Research and Production be permitted to meet tomorrow morning, Wednesday, November 14, 1979, at 9:30 a.m., in spite of the fact that the House may be in session part of that time.

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

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
November 9, 1979.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received at 4:15 p.m., on November 9, 1979, and said to contain a message from the President wherein he transmits a special message on security assistance to Caribbean and Central American countries, together with proposed legislation, entitled, "Special Central American and Caribbean Security Assistance Act of 1977".

With kind regards, I am,

Sincerely,

EDMUND L. HENSHAW,
Clerk, House of Representatives.
By W. RAYMOND COLLEY,
Deputy Clerk.

SECURITY ASSISTANCE TO CARIBBEAN AND CENTRAL AMERICAN COUNTRIES, TOGETHER WITH PROPOSED LEGISLATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 96-224)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

Many of our neighbors in Central America and the Caribbean are in crisis—crisis marked by economic problems, terrorism, and popular frustration. The resolution of these problems in ways that will preserve the independence and security of these countries, while expanding democracy and supporting human rights, is very much in the national interest of the United States.

Prompt and effective U.S. assistance is vital.

—Nicaragua's economy has been crushed by bitter and prolonged strife. We have been asked to help, and we are doing so. But more is needed to restore public confidence, private initiatives, and popular well-being.

—The Governments in El Salvador and Honduras have pledged democracy and moderation. These and other Central American countries are embarked on accelerated development efforts of direct benefit to the poor. Assistance in these efforts is essential in creating the conditions under which democratic institutions can grow and thrive.

—The countries of the Eastern Caribbean are young and struggling democracies. They need help now for nation-building and for economic development.

I am therefore today proposing action to expand our support for development and security in Central America and the Caribbean. This will augment our existing development and security assistance programs in these regions, which in turn complement the contributions of several other governments and international agencies.

I have directed that, subject to normal congressional notification procedures, funds be reprogrammed for use in Central America and the Caribbean. These include:

—$5 million from the fiscal year 1980 Economic Support Funds for development projects in Central American countries other than Nicaragua.

—$10 million from fiscal year 1979 and fiscal year 1980 development assistance funds for public works and high employment impact projects in the Caribbean. These projects are an important part of our fiscal year 1979–80 contributions of $66.9 million budgeted for the Caribbean Development Group, chaired by the World Bank.

We are also reprogramming Food for Peace funds to increase food assistance in the area, especially in Nicaragua. We will also likely be reprogramming $5 to $10 million in Foreign Military Sales credits and International Military Education and Training funds for the Caribbean, and similar amounts for such programs in Central America. We are still working out the final details of these proposed reprogrammings and will fully inform the appropriate congressional committees of our proposed actions.

Reprogramming, however, is not enough. The enclosed bill would provide $80 million in flexible Economic Support funding, $75 million to assist in the reconstruction of the Nicaraguan economy and $5 million for early-impact development projects in other Central American countries.

I strongly urge rapid congressional action on this bill.

Such action will demonstrate that the United States can be relied upon to support democratic aspirations, the rebuilding of broken economies, and the security of our friends in this nearby region. Our additional funds for Central American development should substantially augment existing programs. Furthermore, we hope that other nations and international institutions will increase their efforts to accelerate the social and economic development of Central America.

With your help we can make clear where we stand.

JIMMY CARTER.

THE WHITE HOUSE, *November 9, 1979.*

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of clause 3(b) of rule XXVII, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or, on which the vote is objected to under clause 4 of rule XV.

After all motions to suspend the rules have been entertained and debated and after those motions to be determined by "nonrecord" votes have been disposed of, the Chair will then put the question on each motion on which the further proceedings were postponed.

LEGIONVILLE, PA., NATIONAL HISTORIC SITE

Mr. PHILLIP BURTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4308) to provide for the establishment of the Legionville National His-

toric Site in the State of Pennsylvania, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4308

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

TITLE I

SEC. 101. That, in order to preserve and protect the site of the first military training camp established in the United States, known as the Legionville Site, in the northernmost part of Harmony Township, adjacent to Baden Borough, Beaver County, Pennsylvania, for the benefit of present and future generations, the Secretary may acquire by donation, purchase, or exchange with donated or appropriated funds the area containing approximately twenty-two acres bounded on the south by the ravine of Legionville Run, on the east by Duss Avenue, on the north by Logan Lane and on the west by Route 65, a railroad and the Ohio River in that order.

SEC. 102. Any property acquired under section 101 of this Act shall be administered by the Secretary, acting through the National Park Service, in accordance with this section and provisions of law generally applicable to units of the National Park System, including the Act approved August 25, 1916 (16 U.S.C. 1 et seq.) and the Act approved August 21, 1935. The Secretary shall enter into cooperative agreements with other qualified public or private entities for the management, development and interpretation, in whole or in part, of the property so acquired.

SEC. 103. The Legionville Site shall be established as the Legionville National Historic Site only after (1) sufficient land and improvements for administrative purposes have been acquired, and (2) the cooperative agreements have been executed with qualified entities.

SEC. 104. Effective October 1, 1980, there are hereby authorized to be appropriated such sums as are necessary to carry out the provisions of this Act.

TITLE II

SEC. 201. The Act entitled "An Act to authorize the Secretary of the Interior to establish the Valley Forge National Historical Park in the Commonwealth of Pennsylvania, and for other purposes", approved July 4, 1976 (90 Stat. 796), is amended (1) in subsection 2(a) by changing "dated February 1976, and numbered VF-91,000," to "dated June 1979, and numbered VF-91,001," (2) in section 3 by adding the following sentence at the end thereof:

"In furtherance of the purposes of this Act, the Secretary is authorized to provide technical assistance to public and private nonprofit entities in qualifying for appropriate historical designation and for such grants, other financial assistance, and other forms of aid as are available under Federal, State or local law for the protection, rehabilitation, or preservation of properties in the vicinity of the park which are historically related to the purposes of the park.", and (3) in subsection 4(a) by changing "$8,622,000" to $13,895,000".

TITLE III

SEC. 301. Authorizations of moneys to be appropriated under this Act shall be effective on October 1, 1980. Notwithstanding any other provision of this Act, authority to enter into contracts, to incur obligations, or to make payments under this Act shall be effective only to the extent, and in such amounts, as are provided in advance in appropriation Acts.

The SPEAKER. Under the rule, a second is not required on this motion.

The gentleman from California (Mr. PHILLIP BURTON) will be recognized for 20 minutes, and the gentleman from California (Mr. LAGOMARSINO) will be recognized for 20 minutes.

The Chair recognizes the gentleman from California (Mr. PHILLIP BURTON).

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

Mr. Speaker, H.R. 4308, as reported by the Committee on Interior and Insular Affairs, would authorize the establishment of the Legionville National Historic Site in Pennsylvania, and would also authorize certain boundary adjustments at the existing Valley Forge National Historical Park.

I wish to commend our colleague from Pennsylvania, Representative GENE ATKINSON, who has brought this matter to the attention of our committee. Also, Representative LARRY COUGHLIN should be recognized for his interest and concern in seeing that the Valley Forge National Historical Park receives the increased protection which this bill provides.

The proposed Legionville National Historic Site is a 22-acre site situated on the Ohio River, northwesterly from Pittsburgh, Pa. In 1792, Gen. "Mad Anthony" Wayne undertook a program of military training by establishing a camp at the Legionville site in November and instructing his troops in military discipline and techniques of warfare until April 1793. These troops eventually fought the Miami Indians at the Battle of Fallen Timbers in August 1794, in the present State of Ohio.

H.R. 4308 also provides for the addition of some 682 acres of land to the existing Valley Forge National Historical Park, which was first authorized by Public Law 94-337. Subsequent to the establishment of the historical park, the National Park Service conducted a study of the boundary and the surrounding lands, and identified a number of properties which are desirable for addition to the area. Addition of these areas would permit the acquisition of scenic easements over some 149 acres to retain the character of the area surrounding the park, provide for fee simple acquisition of some 482 acres which will improve the management of visitor use activities and protection of historic properties, and incorporate some 51.4 acres of State- and county-owned lands which would be acquired only by donation.

There has been concern expressed over the desirability of Congress taking action to recognize the Legionville site, since little remains of the structures which existed at the time of General Wayne's encampment. But the site can be the setting for interpreting an interesting aspect of our history to all Americans, as is the case with a number of other units of our national park system. I also wish to note for our colleagues that this bill will require local or State commitment to participate in the administration of this area before the area can be established as a national historic site. For a very modest investment, then, we can provide an opportunity to commemorate this era of our heritage.

Mr. Speaker, I urge my colleagues to join in support of this bill.

□ 1220

Mr. LAGOMARSINO. Mr. Speaker, the gentleman from California (Mr. PHILLIP BURTON), the chairman of the subcommittee has explained the bill very well. I just want to say that I rise in particularly strong support of title II of the bill, Valley Forge.

Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. COUGHLIN).

Mr. COUGHLIN. I thank the gentleman. I want to compliment the distinguished chairman of the subcommittee, the gentleman from California (Mr. PHILLIP BURTON), for this bill, as well as the distinguished ranking minority member, the gentleman from Kansas (Mr. SEBELIUS) and particularly to give thanks to the gentleman from California for his support of this legislation.

Mr. Speaker, I rise to speak on H.R. 4308, a bill to add 682.4 acres to the Valley Forge National Historical Park, Pa. Title II of this legislation, the Valley Forge section, was originally H.R. 4762, an individual bill I introduced on July 12, 1979. Let me take a moment to compliment the distinguished chairman, Mr. PHILLIP BURTON of California, and ranking minority member, Mr. KEITH SEBELIUS of Kansas, of the Interior Subcommittee on National Parks and Insular Affairs for their swift consideration and support of the Valley Forge land acquisition.

As students of American history know, Valley Forge was the site of the encampment of Gen. George Washington's Continental Army during the bitter winter of 1777-78. While the temporarily victorious British Army was comfortably billeted in Philadelphia, General Washington and his 11,000 battle-weary men set up camp 20 miles to the west. Against overwhelming odds, the Continentals not only survived, but emerged as a disciplined and proficient military force. The Valley Forge story is truly one of the most inspired and patriotic chapters in the history of the United States.

In recognition of this, and with the assistance and support of the House Interior and Insular Affairs Committee, a bill establishing the Valley Forge National Historical Park was passed in 1976 (Public Law 94-337). At that time, the committee recognized:

First. The rapidly increasing development around Valley Forge as pressure for usable land in the Greater Philadelphia urban area has grown;

Second, the national character and historic significance of the park; and

Third, the need for continuing protection and management by the National Park Service.

These considerations are applicable, today, to the 682.4 acres which the pending bill would add to the existing 2,450-acre park. Most of the land is in Lower Providence Township, Montgomery County, with about 60 acres in Tredyffrin and Schuylkill Townships, Chester County. Acquisition of this new acreage would be a major development in preserving a beautiful section of the Schuylkill River Valley.

It is important that the Federal Gov-

ernment move immediately to obtain these valuable lands. All of the property to be acquired in fee, except for on parcel, is slated for purchase or development by private individuals. There is the real danger that these tracts will be lost, unless the Park Service is able to act in the next few months. It is my understanding that informal agreements exist between the National Park Service and landowners, that the Government would have the opportunity to purchase the land by the end of the year. Unless the property, most of which is raw land, is acquired now, it will not be feasible to purchase it in the future. Higher costs are certain when compensation for development and displacement is included.

Within the proposed acquisition is Fatlands, the historic building and property in Lower Providence north of the Schuylkill River.

The 155-acre property is slated for development unless arrangements for Federal acquisition are completed. A historic structure, vintage 1740, is situated on another tract, also to be acquired. Park officials say the building, in good condition, served as commissary headquarters for General Washington and his army during the encampment.

The 1976 House Interior Committee report (H. Rept. 94–1142) expressed the expectation that the park would be managed "with increased emphasis on the restoration and maintenance of the historic scene. Nonconforming recreational uses are to be phased down or relocated." Recreational activities currently provided in the park are restricted. Intense uses, such as marathons, are forbidden. Although there is historical justification for buying property north of the river—Washington and his troops also camped on that side and used the fiord—the land would be valuable primarily for recreational purposes. Biking, hiking, jogging, and horse trails, and picnic groves could be shifted and expanded from the current park area to accommodate the 4 million annual visitors. New acreage would be a link with the Audubon Wildlife Sanctuary, the Evansburg State Park, and planned recreational trails. Such uses conform with township, county, and regional planning, and enjoy strong local support.

Plans also call for obtaining scenic easements on about 130 acres of developed land in Montgomery and Chester Counties. Agreements would insure that land only be used for private homes, preventing high rise and/or commercial development. Not only would there be no displacement for the 30 owners involved, but vista access across the Schuylkill River would be preserved without buying land out to the horizon.

For historical purposes, recreational use, and vista protection, I urge the House to accept the recommendations of the Parks Subcommittee and the full Interior Committee and pass this bill. Unless action is expeditiously taken, much of this land will be lost to other uses. I am confident that the House will continue to protect America's valuable resources.

Mr. PHILLIP BURTON. Mr. Speaker, I yield such time as he may consume to our distinguished colleague, the gentleman from Pennsylvania (Mr. ATKINSON).

Mr. ATKINSON. Mr. Speaker, I am pleased to be able to rise in support of H.R. 4308, a bill I introduced on June 5 to establish a national historic site at Legionville, Pa. As Members know, the need for this legislation has been increased by adding to the Legionville proposal a provision to extend park lands at the Valley Forge National Park. The Valley Forge Park extension was initially offered by my distinguished colleague, the gentleman from Pennsylvania's 13th District, and I fully agree with the gentleman's proposal.

Mr. Speaker, the Interior Committee report does an excellent job of describing the historical importance of the Legionville site, and I will not take Members' time to more than capsulize the important and unique series of events that occurred at this 22-acre site on the banks of the Ohio River in western Pennsylvania. An important Indian settlement, site of early trading and religious observances in the trans-Allegheny region, in 1792 Legionville became one of those few unique crossroads that mark the path of westward expansion of our Nation.

On these bluffs overlooking the Ohio, downstream from the rough frontier settlement of Pittsburgh, Revolutionary War hero Gen. "Mad Anthony" Wayne brought together and trained the first regular Army units of the United States. Wayne's "Legion," organized by command of President George Washington, brought together men like William Henry Harrison, later President of the United States, William Clark, of the Lewis and Clark Expedition, and Zebulon Pike, who explored much of the Western United States. These troops, prepared on the rudimentary but innovative and effective training fields of Legionville, soon marched on one of the truly significant military campaigns of American history. Defeating Indian forces at Fallen Timbers, the Legion opened the Northwest Territories—now the States of Ohio, Indiana, Illinois, Michigan, and Wisconsin—for American settlement, and insured that British presence in North America would be confined to the borders of Canada.

I believe another aspect of the Legionville National Historic Site proposal will be important to Members: Its accessibility. Located within a short drive of Cleveland and Pittsburgh, it is within a day's drive from over half the Nation's people, a significant consideration in these days of high fuel prices. By designating Legionville a National Historic Site, I believe this body is contributing to an important process of bringing parks to people.

As Members know, some controversy arose in committee over the Legionville site as the Park Service raised questions about the integrity of the original training site and about the intrusion of transportation facilities and nearby steel mills on the site. Quite frankly, Mr. Speaker, we are proud of those mills and railways in western Pennsylvania and count transportation facilities to bring people to parks as pluses, not minuses. I choose, and I think the people of this Nation choose, to preserve our historical heritage—in this instance at a total cost of less than $1 million—rather than worry unduly about the proximity of historical sites to productive facilities. I know the average steelworker who takes his or her son or daughter to view a piece of American history in the old breastworks at Legionville will not worry that he has to pass a factory to get to the site, and I suspect that even visitors to Legionville from other parts of the country will tolerate the mills that mean livelihoods to the residents of western Pennsylvania.

I would be remiss, Mr. Speaker, if I did not mention the strong appreciation I feel for the chairman, the gentleman from Arizona (Mr. UDALL), and especially for the subcommittee chairman from California (Mr. PHILLIP BURTON) for their foresight in handling this legislation. I know they realize the importance both of preserving our historical heritage and of bringing parks to where the American people can appreciate and use them. And while we did not see eye to eye on every issue, I appreciate the integrity of ranking minority member, the gentleman from Kansas (Mr. SEBELIUS) of the Parks Subcommittee. Finally, I would like to commend the untiring efforts of the Anthony Wayne Historical Society in western Pennsylvania and other citizens whose hard work helped mobilize the overwhelming support in our area for this park.

Mr. Speaker, I urge the passage of H.R. 4308 to establish a national historic site at Legionville and to expand the Valley Forge National Park.

THE AMERICAN LEGION,
Washington, D.C., November 8, 1979.

Hon. EUGENE ATKINSON,
House of Representatives, Cannon House Office Building, Washington, D.C.

DEAR CONGRESSMAN ATKINSON: The American Legion appreciates your introduction of H.R. 4308 to establish the Legionville National Historic Site and your active support for this proposal. Our organization certainly shares your interest as demonstrated by our pursuit of site establishment for several years.

We are aware of past difficulties regarding assessment of site integrity and other related matters but, despite all this, we remain convinced that Legionville deserves the federal recognition and support called for in this legislation. Our organization was deeply disappointed by the failure of similar legislation in the House during the waning hours of the 95th Congress.

We truly hope that House consideration and passage can be achieved in the near future so that the measure will have ample time to be enacted before the end of this Congress.

Sincerely,

MYLIO S. KRAJA,
Director,
National Legislative Commission.

● Mr. SEBELIUS. Mr. Speaker, this bill brings to my colleagues on the floor a mixture of good news and bad news: The good news is title II, which provides for the addition of lands to the boundaries of the existing Valley Forge National Historical Park in Pennsylvania; the bad news is title I which provides for the

creation of a new 22-acre unit of our national park system as the Legionville National Historic Site, also in Pennsylvania. Let me continue with the good news first.

Valley Forge was made a new unit of our national park system on July 1, 1976, appropriately on the occasion of our Nation's 200th birthday. Prior to that time, the area was owned and managed by the State of Pennsylvania. After the National Park Service took over the area, they were able to evaluate the current boundaries of the park in view of their adequacy for their management needs, and with a particular awareness that adjacent suburban development was fast encroaching upon the park.

This evaluation led to the conclusion brought forth in the bill before us, advancing the urgent necessity of some further boundary additions. Most of the lands to be added will help protect the integrity of the current historical lands by buffering them from adverse adjacent development. The additions will also offer expanded management flexibility to channel much of the current nonconforming recreational use within the park to more compatible locations and away from the areas of major historical interest. It is most important that the National Park Service keeps this issue in the forefront of all its planning and management efforts.

The committee, when it authorized this new area in 1976, saw this issue as one of very high concern—the segregation of recreational use from the prime parts of the historical resource, and the altogether eventual complete elimination of some aspects of recreational use.

Mr. Speaker, this ends my comments on the good news part of this bill—and now for the bad news.

Title I of this bill authorizes the establishment of a Legionville National Historic Site, also in Pennsylvania. This title would establish a new unit of our national park system, a 22-acre site to commemorate the site of the first—which it reputedly is not—military training camp established in the United States, associated with the endeavors of Gen. Anthony Wayne.

According to the professional study and recommendation of the National Park Service and the official administration position, the site has neither the integrity nor national significance to warrant a national park system designation. Indeed, a bill accomplishing essentially the same objective which was passed in the late hours of the last Congress, without going through the committee, was vetoed by the President. Hardly ever is a park bill vetoed.

Current cost estimates to purchase this small 22-acre site are about $350,000, and development costs could add another $1,500,000 at a minimum.

This site is amidst a quite developed industrial area and is bounded on its edges by factories, an interstate highway and other roads, a railroad, mining and fill activity, and residential development. Little discernable evidences of the historic activity to be commemorated are remaining on the site.

In full committee I offered an amendment which would have the effect of only authorizing Federal acquisition of the area, provided that it would be operated and maintained by someone else acceptable to the Secretary of the Interior under terms of a cooperative agreement. The area would not be designated as nationally significant and it would not become a unit of the national park system. This amendment, which on a recorded vote was not adopted, was a compromise. In reality, the area deserves no Federal support at all of any time.

Mr. Speaker, it is my personal belief that adopting the Legionville text as it appears in this bill would constitute a grossly irresponsible action and would contribute to the demeaning of the integrity of our national park system.

There you have it, my friends. The good news and the bad news. Is this a case of taking the bad news with the good? Or is it a case of taking neither? Only the vote of this body will decide that.

Mr. Speaker, I would like to make a matter of record of two items attached to my statement, and I ask unanimous consent to have these items made a part of my remarks here.

BEAVER AREA HERITAGE FOUNDATION,
Beaver, Pa., June 18, 1979.

Hon. PHILLIP BURTON,
Chairman, House National Parks Subcommittee, House of Representatives, Washington, D.C.

DEAR MR. BURTON: This letter is in reference to a bill sponsored by Rep. Eugene Atkinson, (Penna. 25th District), regarding acquisition and development of a site in Beaver County, Pa., known as Legionville. According to current newspaper accounts, this matter is presently before your committee, pending action.

As citizens and taxpayers of the general area involved, and as members of a companion historical group with knowledge of the history of the site, we feel compelled to call certain facts to the attention of your committee.

It is our position that National Historical Park status belongs only to a site on which American soldiers have died in battle, or to a site which marked a turning point in our nation's history. Unfortunately, Legionville does not even come close to qualifying on either count. As a matter of historical record, the site known as Legionville was a temporary training camp, used for five months, between December, 1792 and April, 1793 by General Anthony Wayne. Legionville was but the second of four such encampments used by General Wayne in a 26-month period. Most of the achievements being claimed for Legionville were actually accomplished at Fort Fayette in the six months prior to the stay in Beaver County. Further documentation of the history of this period can be found in the attached manuscript from Chapter 11 of the book, "'It Happened Right Here", published by the Beaver Area Heritage Foundation. (Attached).

As an organization devoted to the advancement of historical values, we applaud the dedication of the Anthony Wayne Historical Society. As historians, we raise serious questions about the significance of the Legionville site as anything more than a place of interest in local history. As taxpayers, we are appalled at the prospect of anyone even considering spending hundreds of thousands, yea millions, of dollars of public funds in this manner.

Again, we wish to go on record that in our opinion as historians, this project does not merit the interest shown by our political leaders. We are certain that a thorough review of the facts will show that our concern is justified. We will appreciate a firm indication of the position of your committee on this matter.

Sincerely,

ROBERT A. SMITH,
President.

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., June 8, 1979.

Hon. MORRIS K. UDALL,
Chairman, Committee on Interior and Insular Affairs, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Enclosed are our voluntary comments on H.R. 4308, a bill "to direct the Secretary of the Interior to establish the Legionville National Historic Site in the State of Pennsylvania."

We recommend against the enactment of H.R. 4308.

H.R. 4308 would direct the Secretary of the Interior to acquire about 22 acres in Beaver County, Pennsylvania, for establishment as the Legionville National Historic Site, to be administered as a unit of the National Park System. H.R. 4308 would further direct the Secretary to enter into a cooperative agreement with a nonfederal entity for the management, development and interpretation, in whole or in part, of the property so acquired.

Legionville is a 22-acre site situated on the Ohio River, northwesterly from Pittsburgh, Pennsylvania. In 1792, General "Mad" Anthony Wayne undertook a program of military training by establishing a camp at the Legionville site in November and instructing his troops in military discipline and techniques of warfare until April 1793. These troops eventually fought the Miami Indians at the Battle of Fallen Timbers in August 1794, in the present State of Ohio.

We do not believe the need for H.R. 4308 has been sufficiently documented. The bill refers to this site as "the first military training camp in the United States." While there is no question about the importance of General Anthony Wayne's role in the nation's history, we believe the Battle of Fallen Timbers National Historic Landmark, Ohio, already well illustrates the major military contributions made by General Wayne in securing the Old Northwest frontier and giving much needed stability to the new government. We do not believe that the setting aside of the training area for that battle, which was fought in 1794, would add anything significant to what has already been recognized at Fallen Timbers.

Furthermore, almost all of the important episodes in General Wayne's career are either represented in the National Park System or as national historic landmarks. These include: Fort Ticonderoga, Brandywine, Monmouth and Fallen Timbers Battlefields which are all national historical landmarks, and Yorktown Battlefield within the National Park System. General Wayne's home, "Waynesborough," in Chester County, Pennsylvania, is also a national historic landmark. The site may or may not have been the first camp established primarily for military training, but formal training certainly occurred long before at other encampments—Valley Forge being a notable example.

The Legionville site has been altered by intrusions of modern development such as a railroad and an interstate highway. Upon nominating it to the National Register of Historic Places, the Pennsylvania State Historic Preservation Office judged the site only of local significance. A field survey by the National Park Service early in June 1977 confirmed this finding.

Accordingly, we recommend against the

enactment of H.R. 4308. This Department and the National Park Service would be pleased, however, to consider applications from the State of Pennsylvania for matching funds of historic preservation grants. Additionally, the expertise of the National Park Service is available to the State to assist in planning the development of the site as a local or regional park.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

DAVID HALES,
Acting Assistant Secretary.

VETO OF BILL TO ESTABLISH THE LEGIONVILLE NATIONAL HISTORIC SITE IN PENNSYLVANIA

(Memorandum of Disapproval of S. 1104, November 2, 1978)

MEMORANDUM OF DISAPPROVAL

I am withholding my approval from S. 1104, a bill that would authorize the establishment of the Legionville National Historic Site in the State of Pennsylvania. I am withholding my signature because I do not believe the Legionville site is of sufficient national significance to merit the cost of establishing and maintaining it as a national historic site.

The site does not meet the national significance criteria for historical areas established by the Department of the Interior. The Pennsylvania State Historic Preservation Office judged the site of only local significance. A National Park Service report, made in June 1977, agreed. Further, the site has been altered by such modern intrusions as a railroad and an interstate highway.

The career of General "Mad" Anthony Wayne has been amply commemorated at other designated sites and I do not believe the added expense of acquiring and developing this site is a worthwhile expenditure of Federal funds.

JIMMY CARTER.

THE WHITE HOUSE, *November 2, 1978.*●

Mr. PHILLIP BURTON. Mr. Speaker, I have no further requests for time.

GENERAL LEAVE

Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous matter on the bill under consideration.

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

There was no objection.

Mr. LAGOMARSINO. Mr. Speaker, I yield back the remainder of my time.

Mr. PHILLIP BURTON. Mr. Speaker, I yield back the remainder of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. PHILLIP BURTON) that the House suspend the rules and pass the bill H.R. 4308, as amended.

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

MARTIN LUTHER KING BIRTHDAY

Mr. GARCIA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5461) to designate the birthday of Martin Luther King, Jr., a legal public holiday, as amended.

The Clerk read as follows:

H.R. 5461

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (a) of section 6103 of title 5, United States Code, is amended by inserting immediately below

"New Year's Day, January 1." the following: "The birthday of Martin Luther King, Junior, January 15.".

SEC. 2. The amendment made by this Act shall take effect on January 1 of the first calendar year beginning more than twenty-four months after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from New York (Mr. GARCIA) will be recognized for 20 minutes, and the gentleman from Missouri (Mr. TAYLOR) will be recognized for 20 minutes.

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

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

Mr. Speaker, H.R. 5461 establishes January 15, the anniversary of Dr. Martin Luther King, Jr.'s, birthday as a national Federal holiday. This bill commemorates the life and legacy of this unique man whose contributions to our Nation are virtually unparalleled. Each year since his tragic death more than 10 years ago, legislation has been introduced to establish a national holiday in honor of Dr. King. Earlier this year, my good friend and colleague, the gentleman from Michigan, Representative CONYERS, introduced a similar bill, H.R. 15. This bill was cosponsored by 125 House Members and referred to the Post Office and Civil Service Committee.

On March 27, 1979, joint hearings on the bill were held by the Senate Judiciary Committee and the Subcommittee on Census and Population. We heard testimony in support of the legislation from many distinguished citizens.

On October 10, the Committee on Post Office and Civil Service by voice vote, favorably reported the bill.

Mr. Speaker, the enactment of H.R. 5461 would serve as an appropriate testimonial to an extraordinary individual who dedicated his life to the cause of human rights, moreover, the bill would underscore the Nation's continuing commitment to alleviate the persistent and continuing effects of discrimination and poverty which Dr. King struggled to eliminate.

Dr. King marched, preached, prayed, and sang for joy. He also wept in anguish and despair. He dreamed a broad and sweeping dream of peace and justice for all. Dr. King led a movement that changed the course of our Nation and caused the enactment of landmark civil rights legislation.

Dr. King deserves the honor and recognition a national holiday bestows. The civil rights movement was a pursuit of fundamental rights and, as its leader, Dr. King personified the values and traditions of our Nation's heritage.

His moral vision, his uncommon courage, his quest for social justice, his stalwart commitment to nonviolence, and his deep and abiding love and concern for the poor and the oppressed, exemplified all that is best about this country.

He stirred the conscience of the Nation and spoke out in ringing tones for the disenfranchised and thus rekindled the flame of hope and progress in some of our bleakest years. He made an immense contribution to the continuing moral growth of this country.

Perhaps, more importantly however, this holiday will contribute immeasurably to answering the questions which will arise in the hearts and minds of all of our children and their grandchildren.

I cannot begin to tell you how important this holiday would be to the future hopes of our young people. We are and should be about the business of building strong self-concepts and strong self-images in our children.

It is important for all young people everywhere to know that there was indeed a man named Martin Luther King. To know of his inspirational legacy, his dream and his hopes connected with the values and tradition of this Nation.

In short, Mr. Speaker, the only issue today is whether America is prepared to honor its heroes no matter where they come from.

Mr. Speaker, I urge the House to approve this measure and I reserve the balance of my time.

□ 1230

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

Mr. Speaker, I reluctantly rise in opposition to the designation of the Reverend Martin Luther King, Jr.'s birthday as a legal public holiday because I do not believe our present economic situation will allow us the luxury of another $212 million Federal holiday.

Public concern grows daily over the rising costs of Government, the continuing inflation rate brought on by ever-expanding Federal deficit spending, and the grim projections for the future economic health of our Nation. This legislation will further feed the fires of inflation by costing the weary American taxpayer at least $212 million to bestow another paid holiday to Federal employees.

A legal public holiday will close all Federal Government offices including post offices, social security offices, and veterans hospital offices, and will further damage our Government's lack of productivity. But the costs will not stop at the Federal level, because thousands of State, county, and city governments, will be asked to follow suit and declare a holiday for the millions of workers they employ. Although passage of this bill will not automatically require the closing of public schools, libraries, and other government institutions, the committee report makes it clear that the Congress is suggesting a 2-year delay in the effective date so State legislatures can follow suit.

Mr. Speaker, the Members should oppose the use of our rule supension procedure for this bill, since it precludes

amendments and severely limits debate on this automatically expensive measure. For example, our colleague from Tennessee (Mr. BEARD) would like to propose an amendment that would require all future legal public holidays to fall on either a Saturday or a Sunday, and I would be interested in having a full debate on the merits of his amendment.

There is also some sentiment, Mr. Speaker, for an amendment that would honor the contributions made by Reverend King through a commemorative day. This could be accomplished by simple majority approval of a joint resolution calling upon the President to issue a proclamation and inviting public ceremonies and activities in recognition of the work and memory of the civil rights leader.

I will gladly support such a resolution. Millions of Americans have a great deal of respect for Reverend King, and I know his memory evokes a great emotional response from segments of our society, but I believe there is a more appropriate way to honor him than through the costly method of creating another legal public holiday.

The House should weigh carefully the expense involved in creating any new Federal holiday, not only in terms of the Federal budget, but also the expense that will surely follow at the State and local government level and in the private sector.

Recognizing the agony of inflation and the well established fact that inflation is caused in no small part by deficit Federal spending and declining productivity it just makes sense that establishing another national holiday—that will shut down the Federal Government and half of the business and commerce of the Nation for 1 full day is a double barrel shot that will contribute both to deficit spending and further lowering productivity and will have the effect of pouring gasoline on the inflationary fires that are already consuming the life blood of the American people.

For these reasons, Mr. Speaker, I oppose passage of H.R. 5461 under suspension of our rules.

Mr. GARCIA. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan (Mr. CONYERS).

Mr. CONYERS. Mr. Speaker, the decision of Congress on the Martin Luther King, Jr., national holiday bill will indicate the kind of moral direction of our Nation in the coming years. In approving this legislation, Congress will have made the most positive statement it can that the sectional and racial chapter of America's history has been closed forever. The Martin Luther King, Jr., National Holiday Act would commemorate a turning in our history of significance equal to other great events and passages that have shaped our destiny.

History thrust the young Baptist minister from Atlanta into the leadership of the civil rights movement. He became in the process the architect of the greatest movement of citizen action in modern times, one that empowered millions of citizens, black and white, whose lives had been devoid of dignity and hope.

In each Congress from 1968 onward, I have introduced legislation to designate Dr. King's birthdate—January 15—a national public holiday. Thirteen States, as well as most major cities, already honor Dr. King, as do people throughout the world.

By commemorating Dr. King's birthdate, we do more than honor one man, however extraordinary; we honor the profound spirit of love and humanity that guided his life and inspired his fellow citizens.

The meaning of his life—and what each of us needs to relearn and reflect upon—is captured in what he said in 1964 when he was awarded the Nobel Peace Prize:

> Nonviolence is the answer to the crucial political and moral questions of our times—the need for man to overcome oppression and violence without resorting to violence and oppression. I accept this award today with an abiding faith in America and an audacious faith in the future of mankind.

Those who regard Dr. King as the leader of a narrow cause or the spokesman for a single group fail to share his vision of the interdependency of every human life. Injustice in any form, affecting anyone, was viewed by Dr. King, as a threat to us all. His politics was harnessed to an overriding moral imperative to improve the lives of all human beings, whether he fought to end segregation in Birmingham, win full political rights in Selma, overcome housing and job discrimination in Memphis, or to put an end to poverty and build a full employment economy in the Nation.

Martin Luther King, Jr., led the Nation to recognize its common destiny and the fundamental interdependency of our lives.

Dr. King was a deeply religious man, the son and grandson of two prominent ministers in whose church—the Ebenezer Baptist Church in Atlanta—he too became a minister. His training in theology led from Atlanta's Morehouse College and Pennsylvania's Crozer Theological Seminary through the University of Pennsylvania, Harvard and Boston University, where he earned a doctorate. The social gospel that he studied he later practiced, according to Luke:

> To heal the broken-hearted, to free the captives, to set at liberty them that are bruised.

Public holidays in the United States are rightly reserved for honoring great traditions, the Nation's highest ideals, and the leaders who have shaped our destiny. Dr. King brought America back to its roots as a people. He challenged us to honor the law, even when the law was flawed. He made us proud to exercise our rights as a free people. He embodied and renewed the oldest political tradition of the Nation. He changed the moral and political direction of the country. His historical greatness no longer can be challenged.

Designating Dr. Martin Luther King, Jr.'s, birthdate a national holiday would represent another giant step forward in reconciling the lives and hopes of all Americans.

Mr. FORD of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. CONYERS. I yield to my colleague from Tennessee.

Mr. FORD of Tennessee. Mr. Speaker, I would like to associate myself with the gentleman's remarks from Michigan.

I would like to also state that when the gentleman mentioned earlier about the States and cities, I would like to point out that there are 14 States that have already recognized the birthday of Martin Luther King, along with at least 25 major cities.

The SPEAKER pro tempore (Mr. MINISH). The time of the gentleman from Michigan (Mr. CONYERS) has expired.

Mr. GARCIA. Mr. Speaker, I yield 1 additional minute to the gentleman from Michigan.

Mr. FORD of Tennessee. Mr. Speaker, if the gentleman will yield further, also I would like to say to my colleagues that as we act on this legislation today, this vital and important piece of legislation, those opposed to the bill argue that those cities and States which recognize Dr. King's birthday as a holiday are in perfect order to do so. They feel that the Federal Government has no precedent by which such a holiday has been declared.

Dr. King's life and work was unprecedented also. Furthermore, if this is to be a nation which never loses sight of its obligation to continue its efforts to "form a more perfect union, establish justice and secure the blessing of Liberty to our posterity," then it must enact the King holiday bill. This great man met his untimely death in my hometown—Memphis, Tenn. I think it is time that this Nation not lose sight of its obligation to continue in its efforts to form a more perfect union, establish justice and accord the blessings of liberty to our posterity.

Mr. Speaker, we must today as Members of this House enact the King holiday bill.

□ 1240

Mr. TAYLOR. Mr. Speaker, I yield such time as he may desire to the gentleman from Illinois (Mr. DERWINSKI), a member of the Committee on Post Office and Civil Service.

Mr. DERWINSKI. Mr. Speaker, only two men—Christopher Columbus, who discovered America, and George Washington, First President—have been honored with a Federal legal holiday.

In my opinion, although a truly dynamic and charismatic figure of our time, Dr. King's place in history has not yet been established. One of the greatest tributes that can be paid an individual after his death is recognition earned through widespread and spontaneous acclamation by the people of a nation or the world. Dr. King is not yet the subject of such acclamation. Since his death in 1968, legislation has been introduced in each Congress to commemorate the an-

niversary of his birthday. Congress has not acted on any of the bills for the past 10 years for good reasons.

Therefore, we should defer this bill, due to the fact that this legislation did not go through the process of acquiring a rule and we are not being given an opportunity of looking for alternatives. One reasonable alternative would be a national day of observance. This would set aside a day to memorialize Dr. King and his achievements and would avoid the many problems such as cost that are created when establishing a new Federal legal holiday.

There are many great Americans whose birthdays we do not commemorate as a legal Federal holiday. For instance, there is no legal holiday designated for Thomas Jefferson, James Madison, Abraham Lincoln, Susan B. Anthony, Ulysses S. Grant, Thomas Edison, Booker T. Washington, Woodrow Wilson, Harry Truman, Douglas MacArthur, Dwight Eisenhower, Sam Rayburn, John Kennedy, and countless others.

Technically, there are no national holidays in the United States. Each of our 50 States reserves the right to designate the holidays it will observe by each individual State's legislative enactment or executive proclamation. Fourteen States have already exercised this right by establishing a legal State holiday honoring Dr. Martin Luther King, Jr.

Aside from questioning this bill for the reasons I have mentioned, the cost of enacting this legislation is astronomical. The regular daily payroll for Federal workers in 1980 is approximately $185 million, with an additional $27 million for premium pay, coming to a total of $212 million. This is just for the Federal work force—with no consideration for the millions of dollars in hidden costs. In a time when Americans are becoming increasingly concerned about how their tax dollars are being spent—when given all the facts—this body should defer this bill and instead designate a day of observance for Dr. King.

Mr. TAYLOR. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. DANIEL B. CRANE), a member of the committee.

Mr. DANIEL B. CRANE. Mr. Speaker, I rise in opposition to H.R. 5461, which would designate the birthday of Dr. Martin Luther King, Jr., a legal public holiday.

The question that comes to my mind is the cost of a Federal holiday. Already, there are nine existing legal holidays. This Federal holiday would cost the American taxpaypers $185 million to pay our Federal employees for not working, not including the cost of overtime.

The enactment of this legislation would only add to our existing fiscal problems. There is also the question of the premium pay of $27 million which is essential to keep the Government moving during a Federal holiday.

At a time of runaway inflation and an overburdened cost of Government to the American taxpayers, we need fiscal responsibility.

I come from the great State of Illinois where Abraham Lincoln made his fame. We do not have a Federal holiday for this fine gentleman.

I recognize the need and the desire of those who wish to have a State holiday for Dr. Martin Luther King. So be it. We do not need any more Federal holidays.

Mr. Speaker, the whole question surrounding this legislation is an emotional one, and I ask my colleagues to join me in defeating this bill on suspension of the rules.

Mr. TAYLOR. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. GILMAN), a member of the committee.

Mr. GILMAN. Mr. Speaker, I rise in support of this bill, H.R. 5461, legislation designating the birthday of Martin Luther King, Jr., as a legal holiday and wish to commend the gentleman from New York (Mr. GARCIA) for his leadership in bringing this measure to the House floor.

As a cosponsor of this measure during this and past Congresses, I was pleased to join with my colleagues on the Committee on Post Office and Civil Service in favorably reporting this legislation to the House.

Designation of this holiday in memory of Dr. King is a genuinely appropriate means of recognizing the monumental contributions of an individual who, during a critical point in our Nation's history, sparked a successful movement for a national commitment to provide all of our Nation's citizens with basic civil rights and equality of opportunity.

Recently, at a conference, here on the Hill, we had the opportunity to hear Mrs. Coretta Scott King, Dr. King's widow, remind us of Dr. King's hopes and dreams to strengthen our great great Nation.

Indeed, the legacy of Martin Luther King, Jr., lives today in the contributions to our Nation of those who through Dr. King's efforts were afforded equal opportunities in education and in employment. Their significant achievements have benefited our Nation's commerce, medicine, law, education, and the arts.

Dr. King's legacy lives in the pride of all Americans witnessing a confirmation of the earlier dream upon which our Nation was founded: Justice, equality, and the recognition of fundamental human rights and dignities.

Accordingly, Mr. Speaker, I urge my colleagues to suspend the rules and pass this legislation duly honoring the memory of Dr. Martin Luther King, Jr.

Mr. GARCIA. Mr. Speaker, I yield 2 minutes to the majority leader, the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Speaker, I hope the House will pass this bill. It would set aside January 15, the birthday of Dr. Martin Luther King, Jr., as a public holiday. Certainly there can be no harm in that; I think there may be some lasting good in it.

The purpose of a national holiday, of course, is to provide the American people an annual reminder of some greatly inspiring historic deed or of an inspirational life. It seems appropriate to me that on January 15, toward the beginning of every new year, we might well have a reminder for the Nation that we have a dream—a dream yet not wholly fulfilled but one which we pursue.

It is a dream of equality—equality of rights and opportunity for all the children of this land, and indeed for all of God's children everywhere. That was the dream espoused by Martin Luther King. It was for that he lived. It was for that he died.

Martin Luther King was martyred 11 years ago in Memphis. Since that time 14 of our States on their own have acted to commemorate his birthday as a holiday. They include such Southern States as Florida and Kentucky, and such border States as Maryland and West Virginia. There, too, the common citizenry embrace the dream and honor the memory of him who dreamed it, who worked and sacrificed and struggled for it, and in the end gave up his life that the dream might live. During these years the stature of Martin Luther King has grown in historic perspective, as has the memory of his deeds.

So I can see no harm at all in our settings aside this day—just as we have set aside Washington's Birthday, Columbus Day, Labor Day, Veterans Day, and other special occasions to commemorate something that is precious and endemic to the American spirit.

And surely quite endemic to the American spirit was the struggle of Dr. Martin Luther King, Jr., often against great odds, to achieve a status of equality, of dignity and self-respect, for the disadvantaged and dispossessed of our land. He was a hair shirt for the Nation's conscience. He believed that religion has a mission to comfort the afflicted, and that sometimes it is necessary to afflict the comfortable.

He believed passionately in nonviolence, in the power of an idea to triumph irresistibly over physical force. He believed, and his life demonstrated, that love is a stronger force than hate.

How better shall we teach these truths than for the Nation to set aside a day to commemorate the life and teachings of this remarkable American who preached that our people are bound together by a single garment of destiny?

It will be well, Mr. Speaker, for future generations to remember his admonition, written from his imprisonment, much as the author of the Book of Revelation wrote from an unjust imprisonment, that each generation shall have to repent not only for the hateful things said and done by the bad people but also for the unthinking silence of the good people. These are teachings that speak to our Nation's soul, and they deserve to be remembered.

Mr. GARCIA. Mr. Speaker, I yield 1 minute to the majority whip, the gentleman from Indiana (Mr. BRADEMAS).

Mr. BRADEMAS. Mr. Speaker, I rise today in support of the bill to designate the birthday of Martin Luther King, Jr., January 15, a national holiday.

Dr. King left all Americans a vital

legacy. It is appropriate that we should commemorate his extraordinary personal accomplishments. Yet even more important, we must seek to keep alive for succeeding generations the wisdom of his message. For the life of Dr. King personifies the struggle of thousands of black Americans who suffered and died to bring liberty and justice to our Nation.

Martin Luther King, Jr., was a scholar, a preacher, a leader. In his pursuit of a philosophy that would best confront the twin oppressions of racial and economic injustice, he committed himself to a policy of nonviolent resistance as the most effective method of social change. Dr. King based this conviction on his deep faith that all men and women are part of the same human family and that injustice to one person is a threat to justice for every person.

As the preeminent leader and spokesman of the civil rights movement in the United States, Dr. King was unique in the tenacity with which he held to a dream he believed could be realized by moral suasion and the power of love.

Dr. King never faltered in his commitment to the cause of human rights. His challenging message and stirring words rang out from pulpits and platforms across our land reminding all Americans that the most cherished principles of our democracy had for nearly two centuries been imperfectly realized.

Mr. Speaker, Martin Luther King, Jr., challenged America to confront the paradox of discrimination in a Nation founded on the principle that all men are created equal. His tireless exertions and passionate concern for human freedom and dignity exemplify the basic strength and purpose of our Nation.

To honor Martin Luther King, Jr., in this way is to recall to ourselves as Americans the fundamental principles for which our country was established.

□ 1250

Mr. TAYLOR. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Tennessee (Mr. BEARD).

Mr. BEARD of Tennessee. Mr. Speaker, I think the thrust of the legislation is legitimate. So my only disappointment is that this piece of legislation was not brought to the floor of the House with an open rule.

I will not repeat all of the financial aspects, the price tag which has been approximated at $3 billion or more that this holiday would cost.

I introduced a bill approximately a year ago calling for all future national holidays to be held on a nonworking day, future holidays, whether it be Susan B. Anthony Day, or Flag Day. I just feel that we have a responsibility to be sensitive toward cost and the productivity factors.

Mr. TAYLOR. Mr. Speaker, I yield 2 minutes to the gentleman from Mississippi (Mr. HINSON).

Mr. HINSON. Mr. Speaker, earlier this year the House of Representatives considered legislation which would authorize the placing of a statue of Dr. King in the Capitol to commemorate his life and accomplishments. I was one of those who supported this legislation. I supported it because I believed at the time and I still believe that it was appropriate to recognize the work and contributions of Dr. King in such a fashion.

However, I am opposed to the legislation before us today. I am opposed because we cannot afford to lose another Federal workday at a conservatively estimated cost of $212 million in Federal payroll alone—not to speak of the absolutely incalculable losses in manhours and in the processing of thousands of Government tasks and duties, from defense contracts to social security checks. Further, there is the lost productivity from private industries which undoubtedly would follow suit, at a time when our national productivity is falling.

Mr. Speaker, I represent the Fourth Congressional District of Mississippi and approximately 40 percent of the population of my congressional district is black. Dr. King is a potent symbol of their legitimate hopes and aspirations—aspirations which I share and applaud, but I sincerely believe that this legislation serves neither their best interests nor is it in the best interests of the American taxpayer. Better in my view that we use the $212 million-plus on better housing or medical care for poor people both of which I have supported this year. I believe Dr. King would have preferred that as well. We have honored Dr. King with a statue in the Capitol. Let us be satisfied with that accolade. Let us stop short of passing this unnecessary, expensive, and most ill-advised piece of legislation.

Mr. GARCIA. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey (Mr. RODINO).

Mr. RODINO. Mr. Speaker, January 15th of this year was the 50th anniversary of the birth of Martin Luther King, Jr.

Twenty-four years ago, he became a leader of the Montgomery, Ala., bus boycott, which soon spread to a nationwide civil rights movement.

Sixteen years ago, as the most eloquent leader of that movement, he wrote from a Birmingham jail that "injustice anywhere is a threat to justice everywhere," and a few months later he said from the Lincoln Memorial, "I have a dream."

Eleven years ago he was assassinated in a motel in Memphis.

For more than a decade, I, and other Members of Congress, have endeavored to designate the birthday of Martin Luther King, Jr., as a legal public holiday.

Such a national holiday would not only honor an extraordinary man whose life and achievements were heroic. By honoring him, the Nation would be expressing annually its respect for justice, equality, freedom, and peace.

And by honoring the courageous life of Martin Luther King, Jr., the American people would each year renew their commitment to the realization of those goals, which were the elements of his dream for all citizens.

A decade is too long to wait for this simple act of commitment. Today—when we have a critical need for national inspiration—is the time to designate January 15 as Martin Luther King, Jr., Day, a legal public holiday.

Mr. GARCIA. Mr. Speaker, I yield 1 minute to the gentleman from Georgia (Mr. MCDONALD).

Mr. MCDONALD. Mr. Speaker, it has been suggested that the birthday of Martin Luther King, Jr., be declared a national holiday. I strongly oppose this plan. King practiced and preached confrontation politics. Nonviolence was the facade behind which hatred and violence were nurtured. The American Nazi Party in its obscene plan to march in the predominately Jewish town of Skokie, Ill., was merely emulating King's provocative confrontation tactics in white communities in the past.

Recently, the Washington Post contained a column by William Raspberry, a strong supporter of King, protesting the action of Hosea Williams, head of the Atlanta chapter of the Southern Christian Leadership Conference, in presenting the "Martin Luther King, Jr., Peace Medal" to the Libyan dictator, Qaddafi. According to Raspberry, while Williams heads a dissident faction in SCLC, other black leaders refuse to condemn his presentation of the medal. Coretta Scott King, widow of Martin Luther King, Jr., would only say that the medal was not an official medal of the SCLC.

In many ways, Qaddafi is an appropriate recipient. He, like King, collaborates with the Communists. You will remember that Attorney General Robert Kennedy authorized wiretaps of King's home and office to obtain evidence of his relationship with Communists. Qaddafi, also, mouths phrases about peace while providing training to terrorists and support for other dictators such as Idi Amin in Uganda.

As I have pointed out in the past, terrorism is a violent attack on noncombatants for the purpose of intimidation to gain a military or political objective. Terrorists are not freedom fighters—neither were the young hoodlums set loose in our streets by the inflammatory rhetoric of Martin Luther King, Jr.

The recent embrace of Yasser Arafat by those who inherited MLK's mantle makes it clear who will benefit from the suggested national holiday. Arafat, the Soviet cutting edge in the Middle East, heads the most vicious international terrorist organization currently functioning. A national holiday on MLK's birthday will bring aid and comfort to those who want Arafat to "overcome."

Mr. TAYLOR. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. ASHBROOK).

Mr. ASHBROOK. Mr. Speaker, I rise with absolutely no reluctance to strongly oppose this legislation. I realize that it is not popular and certainly not politically advantageous to speak in opposition of a man who has been canonized by the liberally based news media and many of those who profess to advocate

civil rights. The common misconception is that if one speaks ill of M. L. King, he or she opposes the concept of civil rights. That is a lot of malarkey and I think my colleagues understand that. He left us a legacy but it has not been mentioned today. Under these gag rules his record will not be really discussed in this debate but, then, are we not just doing this for the record anyway.

When I learned last week that we would be considering this legislation today under Suspension of the Rules, I will have to admit that I was not too surprised. This Congress routinely adopts multimillion-dollar proposals as a matter of fact and today is probably no exception. This bill cannot stand the light of day through regular open debate so there is this effort to sneak it through without amendment or full debate. Suspension of the rules—yes, suspension of the rules clearly fits Martin Luther King.

Mr. Speaker, I can say without qualification that no Member of this body has studied the record of Martin Luther King as extensively and as vigilantly as I have over the past 20 years. That study has continued right up to the present. I can also say without qualification that Reverend King does not deserve this honor based on his record unless we have crassly gotten to the place where politics and racism are what count, not the record or principles.

At any rate, the issue before us today is twofold. One, does the Congress of the United States intend to support the fictional assessment of M. L. King by honoring him with a national holiday, a holiday which will take the taxpayers for a ride to the tune of millions and millions of dollars—as much as $200 million in Federal cost alone. Two, should our children and our grandchildren be led to believe that M. L. King was one of the great men of all time? Should they speak of him with the same reverence generally associated with George Washington or Abraham Lincoln? I think not.

As I said, I was one of those Members of Congress who spoke out in the sixties when the media was honoring Dr. King for his so-called civil rights advocacy. At that time, many of my colleagues publicly shared my opinion. It was not difficult to think that way because we could see him in action. We could easily take notice of his anti-American rhetoric and his penchant for violence. It is not so easy now. Strange how liberal historical revisionists would rewrite the lives of John F. Kennedy, Roosevelt, Eisenhower, J. Edgar Hoover, and others but leave hands off Martin King.

My statements regarding M. L. King are a matter of public record. I see no need to repeat them now.

On October 4, 1967, I addressed the House on the subject of the King record. That speech appears on pages 27814 through 27827. I stand by everything said that day.

I want my colleagues to think about the fact that they are presently considering legislation which will deprive their constituents of their tax dollars, legislation which will honor a man who shared few of the basic principles we as Americans hold dear. I want my colleagues to think about that.

Let those who think Reverend King should be honored, commemorate him in their own way and on their own terms. Let them point out those ideas he had which they applaud and promote them, no matter what others think. That would be proper. For those who rejoice in his apostasy as a minister—he rejected almost every important Christian tenet that founds the basis for Christianity—let them emulate that if they wish. For those who believe that radicals can bring peace, let them so proclaim. For those who believe that America is the enemy, that we are the threat to world peace, as he preached, let them honor him in whatever means they choose. But do not engage in the hypocrisy of forcing the observance of a national holiday on the great majority of Americans who have nothing in common with his ideas or his true record.

Mr. Speaker, I urge that this legislation be defeated.

Mr. TAYLOR. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Speaker, Martin Luther King, Jr., was a distinguished and prominent American citizen who helped teach many of us the true meaning of brotherhood and equality. He was a good man, an effective leader, and one who deserves to be honored and remembered by a fitting memorial.

Unfortunately, H.R. 5461 does not provide a suitable memorial. This bill simply provides another day off with pay for bureaucrats.

It also provides about $200 million worth of inflation through a nonnegotiated raise to an elite group of people who have just received a 7-percent pay raise, and who already receive more paid holidays than most American employees.

It has been alleged that there is little or no extra cost to the taxpayers in this bill. If Government employees have been working at full capacity, and I believe we should give them the benefit of the doubt, somebody is going to have to do the work that would have been done on the holiday. That seems to work out to a $200 million kick in the head to the taxpayers.

If we were to canvass our constituencies we would surely find little enthusiasm to pay for another paid holiday for bureaucrats. Many taxpayers did not get the 7-percent pay raise, nor do they get the splendid pension benefits that Government employees get.

In addition to the costs to the taxpayer, inflationary costs would soon reverberate through the private sector, too. Whenever Government employees are handed a benefit, private employees will claim it, too. Another paid holiday will soon be stimulating inflation in private industry, too, perhaps by as much as $3 billion.

Dr. Martin Luther King, Jr., was too good a person for us now to attempt to exacerbate inflation in his name. There are many suitable noninflationary memorials which could be voted by this House. I believe this bill does not provide a fitting tribute, and it should be voted down.

□ 1300

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

I well remember when I decided to seek public office, I went to a friend of mine, and he said, "I am going to support you, but when you get up there, I want you to ask yourself three questions on every piece of legislation that comes before the Congress.

"No. 1, can we afford it?

"Do we need it?

"If you have answered both of those in the affirmative, then ask yourself a third question.

"If we needed all that much, how have we done without it all these years?"

Mr. Speaker, I sincerely believe that if Martin Luther King were here today, a man who stood for the poor and downtrodden and disadvantaged, and viewing the inflationary impact this legislation would have on those people, that he himself would vote against this legislation.

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

Mr. GARCIA. Mr. Speaker, I yield 2 minutes to the gentleman from the District of Columbia (Mr. FAUNTROY).

Mr. FAUNTROY. Mr. Speaker, I rise in support of H.R. 5461. When the history of the 20th century is written, one name will be deeply etched in its fabric as having moved like a giant across the backdrop of our time. It will be, in my judgment, the name of the singularly most important man, with the most important message for this the most violent century in the history of mankind.

That man is Dr. Martin Luther King, Jr., and his message was this:

> Mankind simply, must find non-violent means to resolve human conflict . . .

America must never forget that man or his message. The legislation before you today affords us the opportunity to etch that message for our time and for all time in the minds and hearts of all Americans.

Martin Luther King, Jr., was the moral leader of the civil rights movement in America during the period of its most visible achievement: 1955 through 1968. A disciple of nonviolence and love, Dr. King became the victim of savage violence, killed by a sniper's bullet as he stood on the balcony of a Memphis, Tenn., motel on April 4, 1968.

> They killed the dreamer; they have not silenced his dream.

Dr. King's legacy is one of profound change in the social fabric, not only for black Americans, but for all Americans.

The New York Times captured his significance from his time when it wrote:

> It can be said of him, as of few men in like position, that he did not fear the weather and did not trim his sails, but instead challenged the wind itself to improve its direction and to cause it to blow more softly and more kindly over the world and its people.

But Dr. King's life had significance not

only for his time, but for our time, indeed for all time. He wrote:

We have experimented with the meaning of nonviolence in our struggle for racial justice in the United States, but now the time has come for man to experiment with nonviolence in all areas of human conflicts, and that means nonviolence on an international scale . . . If we are to have peace on earth, our loyalties must become ecumenical rather than sectional. This means we must develop a world perspective.

Now the judgment of God is upon us, and we must either learn to live together as brothers or we are all going to perish together as fools.

There are those who say that nonviolence can never again be an effective tool for resolving human conflict, nevertheless the vision of Martin Luther King, Jr., nags uncomfortably at the minds of statesmen and generals alike—a strange, brooding figure—standing somewhere in the distance with a beckoning truth, waiting for the world to catch up.

Favorable action of this measure today will assure that that truth will be forever etched in the mental skies of our ever-broadening horizon as a nation.

It was Goethe who said:

What we have inherited from our fathers, we must earn again for ourselves, else we will lose it.

Let us pass this bill that generations unborn might be inspired as Martin Luther King, Jr., inspired us to become answers to Josiah Holland's prayer:

GOD, GIVE US MEN!

God, give us men! A time like this demands
Strong minds, great hearts, true faith and ready hands;
Men whom the lust of office does not kill;
Men whom the spoils of office cannot buy;
Men who possess opinions and a will;
Men who have honor; men who will not lie;
Men who can stand before a demagogue
And damn his treacherous flatteries without winking!
Tall men, sun-crowned, who live above the fog
In public duty and in private thinking;
For while the rabble, with their thumb-worn creeds,
Their large professions and their little deeds,
Mingle in selfish strife, lo! Freedom weeps,
Wrong rules the land and waiting justice sleeps.

—JOSIAH GILBERT HOLLAND.

Mr. GARCIA. Mr. Speaker, I yield such time as he may consume to the gentleman from Missouri (Mr. CLAY).

Mr. CLAY. Mr. Speaker, I rise in support of the bill.

Mr. Speaker, I rise to add my voice to the others who are supporting the passage of this bill making the birthday of Dr. Martin Luther King a national holiday. First, let me commend my colleague, JOHN CONYERS of Michigan for his untiring efforts and unyielding persistence in forcing the issue. Second, let me extend congratulations and thanks to my colleague, BOB GARCIA of New York who skillfully guided this legislation through his Committee on Post Office and Civil Service. This bill has been introduced and reintroduced into this body for the last four Congresses only to linger, languish, and die in committee. Today, we will finally have the opportunity to vote on it.

Mr. Speaker, I am sure that the thoughts of those of us in this Chamber immediately go back to that tragic day in Memphis 11 years ago when the apostle of nonviolence was violently shot down; that day when the moral leader of the world became the victim of an immoral world conspiracy. The tragic act perpetrated by one James Earl Ray was the culmination of years of hatred, bigotry, racism, and all other evils that created an atmosphere in which insane men such as James Ray would view such a dastardly act as heroic. The crime of Ray must be shared by each who at sometime and in some way advanced the idiotic notion that others by virtue of skin pigmentation, sex, or national origin were somehow less in his or her humanity.

Mr. Speaker, that day was a sad loss for black Americans. But it was an even sadder loss for America and the world at large. That one fatal shot, Mr. Speaker, I contend without fear of contradiction, cut down the greatest crusader for freedom, justice, and equality in the history of our Nation. Martin Luther King with a relevancy that was refreshing, though personally dangerous, assaulted the bastions of structured evil pervasive in our society. With pathos and passion, he verbalized the exploitations of the poor, of the denied, of the denigrated, and with his voice raised in indignation, articulated the hypocrisy of American society and led a massive movement to give meaning to concepts embodied in the Declaration of Independence and the Bill of Rights.

The victims of abject poverty in Appalachia, the impoverished residents of the boroughs and slums, the youth dying in the trenches of a far off land became the major concern of Dr. King and subsequently the basis of his dream. With sweat, tears, and eventually his blood, Dr. King showed them the dawning of a new day. He looked out over the horizon and saw the bright, glistening sun of salvation symbolizing a system that could afford racial harmony and economic parity for all God's children. Without question, Martin Luther King was the greatest social prophet in the short history of this Nation. From the mining towns of Appalachia to the backwoods of Mississippi, to the dilapidated tenements of Chicago, he stayed on the firing line with the genius and the tenacity of a master painter; painting the darkness of western culture and majestically pointing out the clouds of ill-fated omens which hung so ominously over our society.

Mr. Speaker, who else is so deserving of a national holiday in his name? Who else, I ask, Mr. Speaker, wore his mantle of leadership with such courage, conviction, dignity, and integrity?

Mr. GARCIA. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Illinois (Mrs. COLLINS).

Mrs. COLLINS of Illinois. Mr. Speaker, I rise in support of this very worthy legislation for all the people of America.

Mr. Speaker, the civil rights struggle in this country has progressed in the past two decades from an effort to obtain minimum access to public places, to passage and enforcement of equal opportunity laws, to efforts to gain economic parity for black Americans.

Today, this body has the historic opportunity to make a major symbolic commitment to equal justice by honoring the late Dr. Martin Luther King, Jr., with a national holiday in his name.

To so honor the leader who brought about the most profound social revolution in this Nation's history would symbolize the Nation's commitment to Dr. King's values and principles—the principles upon which this Nation was founded.

More than honoring one individual, making Dr. King's birthday a full national holiday will be a signal to the Nation and the world that we have broken with the past by honoring a man from a group oppressed in law as well as in fact.

Dr. King's contributions are too numerous to list. The Montgomery bus boycott, the sit-ins and freedom rides, an early protest against the war in Southeast Asia. Courageous action was accompanied by a brilliant and compelling philosophy of nonviolence. Dr. King retaught the Nation its own values, and in so doing broke down the laws and customs of centuries which had violated those stated values.

I have heard some speak of the cost of creating a new national holiday. How can we ever measure the value of Dr. King's life?

He restored the true wealth of the Nation—its principles and ideals. He brought millions of black Americans into the mainstream of our economic and social life. He opened the way for many other groups in the struggle for equality. To speak of cost of honoring Dr. King is to profane the memory of a true national hero.

I hope, and my colleagues and the Congressional Black Caucus hope, that you will act on conscience today and act in a spirit of furthering the work of Dr. King by voting to create a national holiday in his honor.

Mr. GARCIA. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. STOKES).

Mr. STOKES. Mr. Speaker, I rise in favor of this legislation.

Mr. Speaker, I would like to take this opportunity to lend my support to the passage of H.R. 5461 which would designate the birthday of Dr. Martin Luther King, Jr., as a public holiday.

There have been few men in the history of this country and the world who have left such a profound legacy of peace, justice, equality, and love to all people. Even fewer men have possessed the extraordinary foresight and left such a positive impact on the lives of so many different people—black, white, yellow, brown, red, rich, and poor.

Dr. King was not a military giant. But he was a courageous leader of equality and justice. He did not discover a cure for any devastating physical disease. But, he did try to heal the wounds of discrimination and racism which had consumed this country. He was not a man of tradition. Rather, he was one of the visionaries of our time. And finally, he did not sacrifice his principles. He sacrificed himself for his brothers and sisters.

During the turbulent 1950's and 1960's, Dr. King was not ready to destroy what we often categorize as the "American Dream" as many other disenchanted minorities in this country wanted to do. Instead, he had a dream of his own which incorporated and revolutionized all the ideals and principles of the "American Dream" and put them to work for everyone. Equality, justice, and the peaceful pursuit of these freedoms were the fundamental points of his dream.

Because of his dream and the steps he took to insure it, he became the hero and hope of many people throughout the world. America has a tradition of honoring great individuals who have contributed immeasurably to this country's development. George Washington, Christopher Columbus, and the U.S. veterans all have special days set aside to commemorate their achievements and sacrifices. Therefore, I find it only fitting to set aside a day for Dr. King, a man who sacrificed his life for all Americans, as a gesture of our appreciation for him.

Accordingly, I urge all of my colleagues to support H.R. 5461. The passage of this legislation will symbolize that Dr. King's dream is still with us today and is one step closer to reality.

The SPEAKER pro tempore. The gentleman from New York (Mr. GARCIA) has 2½ minutes remaining.

Mr. GARCIA. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. LELAND).

Mr. LELAND. Mr. Speaker, I stand before you today, a manifestation of the deeds and work of Dr. Martin Luther King. What he fought for in the years when I was just a young student at Texas Southern University was something very significant in my life. At that time I was young. I was feisty, and some would even say that I was foolish, but I would say to my colleagues, because of the message of Dr. Martin Luther King at the time when I hated white people, every white person in America, I decided at that time that I should reassess my position in this country and reassess my value as a human being to determine exactly what course I should chart for myself as I ventured to try to do what was necessary on behalf of black people at the time.

But subsequent to Dr. King's movement, subsequent to his nonviolent movement, subsequent to his teachings to me, I determined and deemed at that time that it was time for me to look at the plight of other people, poor white people, poor Mexican-Americans and Hispanic people in this country, poor people in general. I did that.

From that time on, I became more or less a universalist, with the mark of what the American promise represented by way of the Constitution of the United States of America. I stand here before my colleagues today to tell them that MICKEY LELAND is in the U.S. Congress because he was inspired by Dr. Martin Luther King, one who believes that the American dream is a real dream and one that should be fulfilled.

I am somewhat appalled at my colleagues on the other side of the aisle, those who oppose Dr. King's bill, that they would use the crass reference to money as a judgment to oppose a measure with the status that this measure represents. It does not make much sense to me, one who calculates historical meaning in this whole matter.

The historical meaning to me is that we have suffered, we as black people, have suffered for hundreds of years never having had a national hero.

Mr. Speaker, I thank you very much for the time that I have been given. I would hope my colleagues would not use money as a reference to killing this bill. I would hope that all of my colleagues would join with us in supporting this important measure.

Thank you.

Mr. GARCIA. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. STEWART).

Mr. STEWART. Mr. Speaker, I rise in support of this bill.

Mr. Speaker, I rise in wholehearted support of the establishment of Dr. Martin Luther King, Jr.'s, birthday as a legal holiday.

Dr. King, along with other deprived Americans, worked diligently to make the dream of America's constitutional privileges a reality for all.

Too few young Americans know much about Dr. King and his life's work as a leader, a Nobel Peace Prize winner, a prophet, and a friend of all humanity.

Observing his birthday as a Federal holiday would stimulate schools, community and civic organizations, and individuals to discover his unique and invaluable contribution to American life. It would encourage everyone to examine and respect Dr. King's quest for justice and his vision of equality.

Honoring Dr. King by establishing his birthday as an official national holiday would give renewed official emphasis and commitment to fulfilling his dream.

When the dream becomes reality and the pledge of America's promised equality is finally made good, then and only then will all Americans be free.

On that day, Dr. King declared, both blacks and whites, people of all religions and all races, will have been emancipated. And on that day, then, we all will sing:

Free at last! free at last! thank God Almight, we are free at last!

● Mr. RICHMOND. Mr. Speaker, I rise in strong support of this legislation to designate the birthday of Dr. Martin Luther King, Jr., as a legal public holiday.

Few Americans in this century have made so great an impact on the lives, the values, and the aspirations of all Americans as Dr. King. Through his vision and his dynamic, effective leadership of the civil rights movement, Dr. King compelled our Nation to examine its prejudices and the inequalities that generations had taken for granted.

At the forefront of the struggle for nonviolent social change, Dr. Martin Luther King led the way to breakthroughs for the poor and the downtrodden members of our society in housing, jobs, education, community development, and—in assuring equal opportunity for all Americans in every aspect of daily life.

By designating Dr. King's birthday, January 15, as a legal holiday, we will be giving recognition to the outstanding contributions of a unique individual to our society. In addition, an annual observance of this day will provide all Americans the opportunity to reflect upon the achievements of Dr. King and to rededicate themselves to the goals to which he dedicated his life.

I urge my colleagues to approve this important legislation.●

● Mr. HAGEDORN. Mr. Speaker, legislation which is considered under the procedure known as suspension of the rules is supposed to be of a noncontroversial nature. This special procedure was established to help prevent using a great deal of congressional time for the discussion of legislation which would most likely not need to be amended or which dealt with a subject that did not have significant national impact.

The consideration of a bill to designate January 15, the birthday of the Reverend Martin Luther King, as a legal public holiday is not appropriate under the suspension procedure. Not only is the creation of a new Federal public holiday a matter of significant national impact, but there is perhaps sufficient reason to warrant a more detailed debate and inspection of the record of the individual to be honored. This procedure does not allow the time for such a discussion.

Since debate on this important matter is limited by the suspension procedure, this alone would be enough reason to postpone consideration. The inability to offer amendments is another, more important reason. One such amendment that would be offered is a bill I have cosponsored that would require that any future Federal holidays to be observed on either a Saturday or Sunday. My colleague from Tennessee (Mr. BEARD) introduced this bill earlier in the year and I feel that this bill today would be a very appropriate measure to add it to.

This is an important approach that must be allowed to be considered. Federal employees now have eight official public holidays. The personnel cost of a holiday is estimated as over $200 million paid for work that is not done by Federal workers. The American taxpayer should not be called upon to foot the bill for any more holidays. We simply cannot afford having the Federal Government shut down for another day.

The work shutdown effect would most likely extend to all the States, as they usually follow the lead of the Federal Government with regard to designating

holidays. Although some 14 States now observe this holiday, if all other States were to follow the example set by the Federal Government, the cost to taxpayers would run into billions of dollars.

Those who support the passage of this bill under suspension of the rules have stated that the principal reason to honor Reverend King is to remind Americans of the principles for which he lived, worked, and which caused his death. The type of remembrance that would be promoted by the official observance of his birthday could be accomplished on an appropriate weekend day.

Many citizens complain that certain Federal holidays without historical or religious meaning are mere excuses to give Federal workers just another day off the job. We owe it to those who must pay the bills not to have to pay for another day of no production when there is a reasonable alternative that should be considered. However, under suspension of the rules, this alternative cannot be considered. Therefore I urge the defeat of this proposal today.●

● Mr. RANGEL. Mr. Speaker, we have before us today a bill designating the late Dr. Martin Luther King, Jr.'s, birth date as a national holiday. In doing so, we join cities and States throughout our Nation in honoring Dr. King and instituting January 15 as an annual reminder of those lofty ideals of freedom and human dignity to which he strived.

Dr. King first came to the public eye in 1955 with his leadership of the Montgomery bus boycott. Rosa Parks, a black woman, refused to turn her seat over to a white person as the law required. Her simple refusal to stand up when her legs were weary from a hard day's work sparked a massive appeal for human dignity. The black people of our country realized the power of organized action when the boycott ground the Montgomery bus system to a halt and their demands were accepted.

With the boycott in Montgomery was born Dr. King's nonviolent organizing tactics. He used them as founder of the Southern Christian Leadership Conference and leader of the national civil rights movement. Nonviolence was the basis of his creed which took him from his pulpit at the Ebenezer Baptist Church in Atlanta to mass rallies, marches, and then jail cells throughout the South. Dr. King's eloquence is best remembered from the day he delivered his dream to the largest group of people ever assembled on the steps and Mall of the Lincoln Monument. His historical place was assured when he received the Nobel Peace Prize in Sweden. Reverend King's commitment to nonviolence and the dignity of all men was resolute to the end—even to the balcony of that hotel in Memphis, Tenn.

Dr. King's greatness arose from his refusal to confuse the ends and means of his struggle. His goal was a moral imperative to improve the lives of all human beings. His love was not confined to any one group of people or specific interest. The nobleness of his spirit was evidenced by his refusal to give in to the temptations of violence and politics in achieving his goals. Reverend King would not trade the life of one man for another. As he said at the acceptance of his Nobel Peace Prize, "Nonviolence is the answer to the crucial political and moral questions of our times—the need for man to overcome oppression and violence without resorting to violence and oppression."

Those who may see Martin Luther King's birthday as a celebration primarily for black Americans have narrow sights indeed. Though it is true that this would be the first such honor given a black man in this country, Dr. King represented more than one people, he embodied the goodness of the American spirit. His life is exemplary of the highest ideals of freedom, justice, and dignity. Dr. King's struggles must be seen as a perennial call for love and understanding. Commemorating his birth date would renew our commitments to the ideals by which he lived and help to foster that spirit throughout our country.

I appeal to all of my colleagues to commemorate a black man, an American, but most of all a devoted human being. Please vote to designate Dr. Martin Luther King, Jr.'s, birth date as a national holiday.●

● Mr. DELLUMS. Mr. Speaker, I speak today in support of H.R. 5461. In doing so, I pay homage, in behalf of millions in America and around the world, to a great American—but, more important—a great human being.

Martin Luther King, Jr., traveled this Earth for only 39 years—a speck of time in the annals of history. But in those few short years he irrevocably altered the perceptions of humankind in the search for peace and social justice.

In America he was the living embodiment of the highest principles professed in the Declaration of Independence—that all are created equal—that they are endowed by their Creator with certain inalienable rights—among which are "life, liberty and the pursuit of happiness * * *.

Martin Luther King, Jr., challenged the conscience of America by confronting both church and state on the spiritual and political immorality of racism and segregation in our society. As he said in his eloquent letter from the Birmingham jail in April of 1963:

> We know through painful experience that Freedom is never voluntarily given by the oppressor; it must be demanded by the oppressed. . . . We have waited for more than 340 years for our Constitutional and God-given rights. The nations of Asia and Africa are moving with jet-like speed toward gaining political independence, but we still creep at horse-and-buggy pace toward gaining a cup of coffee at a lunch counter. . . .
>
> To put it in the terms of St. Thomas Aquinas: An unjust law is a human law that is not rooted in eternal law and natural law. Any law that uplifts human personality is just. Any law that degrades human personality is unjust. All segregation statutes are unjust because segregation distorts the soul and damages the personality. . . Thus it is that I can urge men to obey the 1954 decision of the Supreme Court, for it is morally right; and I can urge them to disobey segregation ordinances, for they are morally wrong.

It was Martin Luther King, Jr., standing in the very shadow of the Lincoln Memorial on August 28, 1963, who challenged the foundations on which this Nation was built, while the President sat watching television in the Oval Office, fearful that a public appearance on behalf of justice and equality might harm his standing in the public opinion polls. It was Martin Luther King, Jr., who had the courage to stand up to white America on behalf of nonwhite America and say:

> When the architects of our republic wrote the magnificent words of the Constitution and the Declaration of Independence, they were signing a promissory note to which every American was to fall heir. . . .
>
> It is obvious today that America has defaulted on this promissory note insofar as her citizens of color are concerned. Instead of honoring this sacred obligation, America has given the Negro people a bad check; a check which has come back marked "insufficient funds." We refuse to believe that there are insufficient funds in the great vaults of opportunity of this nation. And so we've come to cash this check, a check that will give us upon demand the riches of freedom and the security of justice.

As a citizen of the world, it was Martin Luther King, Jr. who carried the true message of justice, brotherhood and reconciliation into the global arena. Like Mother Theresa, he truly honored the ideals espoused in the Nobel Peace Prize in his concern for, and determination to do something about, the needs of suffering humanity everywhere.

Unlike other hypocritical recipients of this award, who profess peace while promoting war, he was in the vanguard of the crusade for world peace and nuclear disarmament. In Oslo, Norway, in 1964, he argued eloquently that "nonviolence is the answer to the crucial political and moral question of our time—the need for man to overcome oppression and violence without resorting to violence and oppression." What could be more profoundly unequivocal than his challenge to the global conscience on that occasion, in saying:

> I refuse to accept the cynical notion that nation after nation must spiral down a militaristic stairway into the hell of thermonuclear destruction. I believe that unarmed truth and unconditional love will have the final word in reality. This is why right temporarily defeated is stronger than evil triumphant.

It was Martin Luther King, Jr., using his eminence as a Nobel Peace Laureate, who chose to speak out on the insanity and immorality of the war in Indochina in 1965—despite the warnings and threats of other "Establishment" leaders in the civil rights movement.

It was Martin Luther King, Jr. who directly challenged the Johnsonian philosophy of buns and butter, saying in a Los Angeles speech:

> The promises of the Great Society have been shot down on the battlefields of Vietnam. The pursuit of this widened war has narrowed domestic welfare programs, making the poor, White and Negro, bear the heaviest burdens. . . . It is estimated that we spend $322,000 for each enemy we kill, while we spend in the so-called war on poverty in America only about $53 for each person classified as poor. . . .

During a lifetime all too brief, Martin Luther King, Jr. was cursed, reviled and spat upon, beaten, jailed, and stabbed, denounced as an extremist by the lords of the press, and as a "nigger" and a

"traitor" in the highest councils of government. Finally, in an attempt to slay the dream, they slew the dreamer.

It is for us, the living, to make certain that dream never dies. It is for us, the living, to pick up the fallen torch of equality and justice, and to rekindle it anew with dedication and commitment to go forward, as he said, to "make of this old world a new world." It is for us, the living, to insure that his life, his deeds, his commitment, his love for all humankind will always be remembered by generations yet unborn—men and women of all races and creeds who will be able to look to him as a sign of hope for what America can truly be . . . and ought to be. . . .●

● Mr. MOORE. Mr. Speaker, I voted against H.R. 5461 today as I would prefer means to honor the contributions to this Nation by Dr. Martin Luther King, Jr., other than by giving Federal workers another paid holiday on his birthday. I would have supported an amendment to provide for a national day of recognition for Dr. King, but could not support a bill that provides another holiday for Federal employees and does not under suspension procedures allow amendments to be considered.

The bill would cost the American taxpayers $196 million or more annually. For a man whose life was dedicated to helping the poor, I do not see a waste of funds through giving Federal employees the day off as a proper way to honor his efforts to help the poor. The $196 million could be better used to feed hungry mouths and those to whom he would have given aid.

We now have a national holiday for only two persons. One is our Holy Father and the other is the Father of our Country. Others including Thomas Jefferson, Abraham Lincoln, Theodore Roosevelt, Franklin D. Roosevelt, and John F. Kennedy do not have have national holidays declared in their remembrance.

I have supported the construction of a bust of Dr. King for our Capitol building and would support a national day of recognition of his birthday, but another Federal holiday is not the best way to honor him.●

● Mr. CAMPBELL. Mr. Speaker, it is with a sense of regret that I vote today against suspending the rules and passing H.R. 5461, to designate January 15, Dr. Martin Luther King's birthday, a national holiday.

While I hold the memory of Dr. King and his accomplishments in the highest respect and would gladly support a commemorative day in his honor, which I did as a member of the South Carolina Senate, I cannot justify the expenditure of the $212 million in direct costs to American taxpayers for providing another paid holiday for Federal employees. Total costs, assuming that the States would follow Washington's lead, could well mount to 10 or 20 times that figure.

Indeed, I believe Dr. King himself would far rather see these funds go for energy assistance to help the poor and the elderly; for tax credits to encourage the hiring of teenagers, particularly minority teenagers for whom the unemployment rate is a staggering 31.5 percent; for programs with real and tangible benefits to the Nation's needy, rather than for a symbolic gesture, appropriate as it may be.

Mr. Speaker, this bill should have been brought before the House under an open rule, and if the suspension procedure is defeated, I will support reconsideration and I will support establishing a commemorative day. In all good conscience, however, I cannot support the spending priority that the bill in its present form represents which would have us allocate more than $200 million for a gesture which will not provide food or warmth or jobs for those in need.●

Mr. GARCIA. Mr. Speaker, in closing, I would hope and urge that all my colleagues vote and support this legislation. I am delighted that today in the city of Washington, the widow of the late Dr. Martin Luther King is present, and I would hope and urge that this date is the day that children all over America understand and appreciate that all Americans are the same.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. GARCIA) that the House suspend the rules and pass the bill, H.R. 5461, as amended.

The question was taken.

Mr. TAYLOR. Mr. Speaker, in that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 3, rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

□ 1319

INTERNATIONAL AVIATION

Mr. JOHNSON of California. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5481) to amend the Federal Aviation Act of 1958 in order to promote competition in international air transportation, provide greater opportunities for U.S. air carriers, establish goals for developing U.S. international aviation negotiating policy, and for other purposes, as amended.

The Clerk read as follows:

H.R. 5481

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "International Air Transportation Competition Act of 1979".

SEC. 2. Section 102(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1302(a)) is amended to read as follows:

"DECLARATION OF POLICY: THE BOARD

"FACTORS FOR INTERSTATE, OVERSEAS, AND FOREIGN AIR TRANSPORTATION

"SEC. 102. (a) In the exercise and performance of its powers and duties under this Act, the Board shall consider the following, among other things, as being in the public interest, and in accordance with the public convenience and necessity:

"(1) The assignment and maintenance of safety as the highest priority in air commerce, and prior to the authorization of new air transportation services, full evaluation of the recommendations of the Secretary of Transportation on the safety implications of such new services and full evaluation of any report or recommendation submitted under section 107 of this Act.

"(2) The prevention of any deterioration in established safety procedures, recognizing the clear intent, encouragement, and dedication of the Congress to the furtherance of the highest degree of safety in air transportation and air commerce, and the maintenance of the safety vigilance that has evolved within air transportation, and air commerce and has come to be expected by the traveling and shipping public.

"(3) The availability of a variety of adequate, economic, efficient, and low-price services by air carriers and foreign air carriers without unjust discriminations, undue preference or advantages, or unfair or deceptive practices, the need to improve relations among, and coordinate transportation by, air carriers, and the need to encourage fair wages and equitable working conditions for air carriers.

"(4) The placement of maximum reliance on competitive market forces and on actual and potential competition (A) to provide the needed air transportation system, and (B) to encourage efficient and well-managed carriers to earn adequate profits and to attract capital, taking account, nevertheless, of material differences, if any, which may exist between interstate and overseas air transportation, on the one hand, and foreign air transportation, on the other.

"(5) The development and maintenance of a sound regulatory environment which is responsive to the needs of the public and in which decisions are reached promptly in order to facilitate adaption of the air transportation system to the present and future needs of the domestic and foreign commerce of the United States, the Postal Service, and the national defense.

"(6) The encouragement of air service at major urban areas in the United States through secondary or satellite airports, where consistent with regional airport plans of regional and local authorities, and when such encouragement is endorsed by appropriate State entities encouraging such service by air carriers whose sole responsibility in any specific market is to provide service exclusively at the secondary or satellite airport, and fostering an environment which reasonably enables such carriers to establish themselves and to develop their secondary or satellite airport services.

"(7) The prevention of unfair, deceptive, predatory, or anticompetitive practices in air transportation, and the avoidance of—

"(A) unreasonable industry concentration, excessive market domination, and monopoly power and;

"(B) other conditions;

that would tend to allow one or more air carriers or foreign air carriers unreasonably to increase prices, reduce services, or exclude competition in air transportation.

"(8) The maintenance of a comprehensive and convenient system of continuous scheduled interstate and overseas airline service for small communities and for isolated areas in the United States, with direct Federal assistance where appropriate.

"(9) The encouragement, development, and maintenance of an air transportation system relying on actual and potential competition to provide efficiency, innovation, and low prices, and to determine the variety, quality, and price of air transportation services.

"(10) the encouragement of entry into air transportation markets by new air carriers, the encouragement of entry into additional air transportation markets by existing air carriers, and the continued strengthening of small air carriers so as to assure a more effective, competitive airline industry.

"(11) The promotion, encouragement, and development of civil aeronautics and a viable, privately owned United States air transport industry.

"(12) The strengthening of the competitive position of United States air carriers, including the attainment of opportunities for United States air carriers to maintain and increase their market share, in foreign air transportation.".

SEC. 3. (a) Section 102(c) of the Federal Aviation Act of 1958 (49 U.S.C. 1302(c)) is repealed.

(b) That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the side heading

"Sec. 102. Declaration of policy: The Board."

is amended by striking out

"(a) Factors for interstate, overseas, and foreign air transportation.

"(b) Factors for all-cargo service."

"(c) Factors for foreign air transportation."

and inserting in lieu thereof

"(a) Factors for interstate, overseas, and foreign air transportation.

"(b) Factors for all-cargo service."

SEC. 4. Sections 401(d)(1) through 401(d)(3) of the Federal Aviation Act of 1958 (49 U.S.C. 1371 (d)(1) through (d)(3))) are amended to read as follows:

"ISSUANCE OF CERTIFICATE

"(d)(1) The Board shall issue a certificate authorizing the whole or any part of the transportation covered by the application, if it finds that the applicant is fit, willing, and able to perform such transportation properly and to conform to the provisions of this Act and the rules, regulations, and requirements of the Board hereunder, and that such transportation is consistent with the public convenience and necessity; otherwise such application shall be denied.

"(2) In the case of an application for a certificate to engage in temporary air transportation, the Board may issue a certificate authorizing the whole or any part thereof for such limited periods as is consistent with the public convenience and necessity, if it finds that the applicant is fit, willing, and able properly to perform such transportation and to conform to the provisions of this Act and the rules, regulations, and requirements of the Board hereunder.

"(3) In the case of an application for a certificate to engage in charter air transportation, the Board may issue a certificate to any applicant, not holding a certificate under paragraph (1) or (2) of this subsection on January 1, 1977, authorizing interstate air transportation of persons, which authorizes the whole or any part thereof for such periods as is consistent with the public convenience and necessity, if it finds that the applicant is fit, willing, and able properly to perform the transportation covered by the application and to conform to the provisions of this Act and the rules, regulations, and requirements of the Board hereunder.".

SEC. 5. The first sentence of section 401(e)(2) of the Federal Aviation Act of 1958 (49 U.S.C. 1371(e)(2)) is amended by striking out the words ", insofar as the operation is to take place without the United States,".

SEC. 6. Section 401(g) of the Federal Aviation Act of 1958 (49 U.S.C. 1371(g)) is amended to read as follows:

"AUTHORITY TO MODIFY, SUSPEND, OR REVOKE

"(g)(1) The Board upon petition or complaint or upon its own initiative, after notice and hearings, or pursuant to the simplified procedures under subsection (p) of this section, may alter, amend, modify, or suspend any such certificate, in whole or in part, if the public convenience and necessity so require, or may revoke any such certificate, in whole or in part, for intentional failure to comply with any provision of this title or any order, rule, or regulation issued hereunder or any term, condition, or limitation of such certificate. No such certificate shall be revoked unless the holder thereof fails to comply, within a reasonable time to be fixed by the Board, with an order of the Board commanding obedience to the provision, or to the order (other than an order issued in accordance with this sentence), rule, regulation, term, condition, or limitation found by the Board to have been violated. No certificate to engage in foreign air transportation may be altered, amended, modified, suspended, or revoked pursuant to the simplified procedures of subsection (p) of this section if the holder of such certificate requests an oral evidentiary hearing or the Board finds that, under all the facts and circumstances, an oral evidentiary hearing is required in the public interest.

"(2) Any interested person may file with the Board a protest or memorandum in support of or in opposition to the alteration, amendment, modification, suspension, or revocation of a certificate pursuant to paragraph (1) of this subsection.

"(3) Notwithstanding the provisions of paragraph (1) of this subsection, the Board may suspend or revoke authority of an air carrier to serve any point in foreign air transportation authorized in a certificate issued under this section, upon notice and with a reasonable opportunity for the affected carrier to present its views, but without hearing, if the carrier has notified the Board in accordance with subsection (j) of this section or any regulation of the Board that it proposes to suspend all service provided by that carrier to such point, or, except at a point which is provided seasonal service comparable to that provided during the previous year, if the carrier has failed to provide any service to the point for 90 days preceding the date of hte Board's notice to the carrier of its proposed action.".

SEC. 7. Section 402(b) of the Federal Aviation Act of 1958 (49 U.S.C. 1372(b)) is amended to read as follows:

"ISSUANCE OF PERMIT

"(b) The Board is empowered to issue such a permit if it finds (1) that the applicant is fit, willing, and able properly to perform such foreign air transportation and to conform to the provisions of this Act and the rules, regulations, and requirements of the Board hereunder and (2) either that the applicant is qualified, and has been designated by its government, to perform such foreign air transportation under the terms of an agreement with the United States, or that such transportation will be in the public interest.".

SEC. 8. The third sentence of section 402(d) of the Federal Aviation Act of 1958 (49 U.S.C. 1372(d)) is amended by striking out "Such application shall be set for public hearing and the" and inserting in lieu thereof "The".

SEC. 9. Section 402(f) of the Federal Aviation Act of 1958 (49 U.S.C. 1372(f)) is amended by inserting "(1)" immediately after "(f)" and by adding at the end thereof the following new paragraph:

"(2) Whenever the Board finds that the government, aeronautical authorities, or foreign air carriers of any foreign country have, over the objections of the Government of the United States, impaired, limited, or denied the operating rights of United States air carriers, or engaged in unfair, discriminatory, or restrictive practices with a substantial adverse competitive impact upon United States carriers, with respect to air transportation services to, from, through, or over the territory of such country, the Board may, without hearing but subject to the approval of the President of the United States, summarily suspend the permits of the foreign air carriers of such country, or alter, modify, amend, condition, or limit operations under such permits, if it finds such action to be in the public interest. The Board may also, without hearing but subject to Presidential approval, to the extent necessary to make the operation of this paragraph effective, restrict operations between such foreign country and the United States by any foreign air carrier of a third country.".

SEC. 10. Section 407(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1377(a)) is amended by inserting the phrase "or foreign air carrier" immediately after the words "air carrier" each time those words appear therein.

SEC. 11. Section 412 of the Federal Aviation Act of 1958 (49 U.S.C. 1382) is amended by—

(1) striking subsections (a) and (b) thereof;

(2) redesignating subsections (c), (d), and (e) as subsections (a), (b), and (c), respectively;

(3) striking the words ", affecting interstate or overseas air transportation and" in subsection (a)(1), as so redesignated by this section;

(4) inserting the words ", including international comity or foreign policy considerations," immediately after "public benefits" in paragraph (a)(2)(A)(i) as so redesignated by this section;

(5) inserting the words "affecting interstate or overseas air transportation," immediately after the word "agreement," in paragraph (a)(2)(A)(iii), as so redesignated by this section;

(6) inserting the words "or foreign air carrier" immediately after the words "air carrier" the first two times those words appear in subsection (a)(1), as so redesignated by this section; and

(7) striking out "or (c)", inserting ", the Secretary of State," after "shall provide to the Attorney General", and striking out "such Secretary" and inserting in lieu thereof "either Secretary", in subsection (b), as redesignated by this section.

SEC. 12. (a) The center heading for section 412(a) of the Federal Aviation Act of 1958, as redesignated by section 11 of this Act, is amended by striking out

"AFFECTING INTERSTATE OR OVERSEAS AIR TRANSPORTATION".

(b) That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the side heading

"Sec. 412. Pooling and other agreements."

is amended to read as follows:

"(a) Filing and approval of agreements.

"(b) Proceedings upon filing.

"(c) Mutual aid agreement.".

SEC. 13. Section 1002(j)(1) of the Federal Aviation Act of 1958 (49 U.S.C. 1482(j)(1)) is amended to read as follows:

"SUSPENSION AND REJECTION OF RATES IN FOREIGN AIR TRANSPORTATION

"(j)(1) Whenever any air carrier or foreign air carrier shall file with the Board a tariff stating a new individual or joint (between air carriers, between foreign air carriers, or between an air carrier or carriers and a foreign air carrier or carriers) rate, fare, or charge for foreign air transportation or any classification, rule, regulation, or practice affecting such rate, fare, or charge, or the value of the service thereunder, the Board is empowered, upon complaint or upon its own initiative, at once, and, if it so orders, without answer or other formal pleading by the air carrier or foreign air carrier, but upon reasonable notice, to enter upon a hearing concerning the lawfulness of such rate, fare, or charge, or such classification, rule, regulation, or practice; and pending such hearing and the decision thereon, or in the case of a tariff filed by a foreign air carrier if such action is in the public interest, the Board, by filing with such tariff, and delivering to the air carrier or foreign air carrier affected thereby, a statement in writing of its reasons for such suspension, may suspend the operation of such tariff and defer the use of such rate, fare, or charge, or such classification, rule, regulation, or

practice, for a period or periods not exceeding 365 days in the aggregate beyond the time when such tariff would otherwise go into effect. If, after hearing, the Board shall be of the opinion that such rate, fare, or charge, or such classification, rule, regulation, or practice, is or will be unjust or unreasonable, or unjustly discriminatory, or unduly preferential, or unduly prejudicial, or in the case of a tariff filed by a foreign air carrier if the Board concludes with or without hearing that such action is in the public interest, the Board may take action to reject or cancel such tariff and prevent the use of such rate, fare, or charge, or such classification, rule, regulation, or practice. The Board may at any time rescind the suspension of such tariff and permit the use of such rate, fare, or charge, or such classification, rule, regulation, or practice. If the proceeding has not been concluded and an order made within the period of suspension or suspensions, or if the Board shall otherwise so direct, the proposed rate, fare, charge, classification, rule, regulation, or practice shall go into effect subject, however, to being canceled when the proceeding is concluded. During the period of any suspension or suspensions, or following rejection or cancellation of a tariff, including tariffs which have gone into effect provisionally, the affected air carrier or foreign air carrier shall maintain in effect and use the rate, fare, or charge, or the classification, rule, regulation, or practice affecting such rate, fare, or charge, or the value of service thereunder which was in effect immediately prior to the filing of the new tariff or such other rate, fare or charge as may be provided for under an applicable intergovernmental agreement or understanding. If the suspension, rejection, or cancellation is of an initial tariff, the affected air carrier or foreign air carrier may file for purposes of operations pending effectiveness of a new tariff, a tariff embodying any rate, fare, or charge, or any classification, rule, regulation, or practice affecting such rate, fare, or charge, or the value of service thereunder, that may be currently in effect (and not subject to a suspension order) for any air carrier engaged in the same foreign air transportation.".

SEC. 14. Section 1002(j)(2) of the Federal Aviation Act of 1958 (49 U.S.C. 1482(j)(2)) is amended to read as follows:

"(2) With respect to any existing tariff of an air carrier or foreign air carrier stating rates, fares, or charges for foreign air transportation, or any classification, rule, regulation, or practice affecting such rate, fare, or charge, or the value of the service thereunder, the Board is empowered, upon complaint or upon its own initiative, at once and, if it so orders, without answer or other formal pleading by the air carrier or foreign air carrier, but upon reasonable notice, to enter into a hearing concerning the lawfulness of such rate, fare, or charge, or such classification, rule, regulation, or practice; and pending such hearing and the decision thereon, or in the case of a tariff filed by a foreign air carrier if such action is in the public interest, the Board upon reasonable notice, and by filing with such tariff, and delivering to the air carrier or foreign air carrier affected thereby, a statement in writing of its reasons for such suspension, and the effective date thereof, may suspend the operation of such tariff and defer the use of such rate, fare, or charge, or such classification, rule, regulation, or practice, following the effective date of such suspension, for a period or periods not exceeding 365 days in the aggregate from the effective date of such suspension. If, after hearing, the Board shall be of the opinion that such rate, fare, or charge, or such classification, rule, regulation, or practice, is or will be unjust or unreasonable, or unjustly discriminatory, or unduly preferential, or unduly prejudicial, or in the case of a tariff filed by a foreign air carrier if the Board concludes with or without a hearing that such action is in the public interest, the Board may take action to cancel such tariff and prevent the use of such rate, fare, or charge, or such classification, rule, regulation, or practice. If the proceeding has not been concluded within the period of suspension of suspensions, the tariff shall again go into effect, subject, however, to being canceled when the proceeding is concluded. For the purposes of operation during the period of such suspension, or the period following cancellation of an existing tariff pending effectiveness of a new tariff, the air carrier or foreign air carrier may file a tariff embodying any rate, fare, or charge, or any classification, rule, regulation, or practice, affecting such rate, fare, or charge, or the value of service thereunder, that may be currently in effect (and not subject to a suspension order) for any air carrier engaged in the same foreign air transportation.".

SEC. 15. Section 1002(j)(5) of the Federal Aviation Act of 1958 (49 U.S.C. 1482(j)(5)) is amended by (1) striking the word "and" at the end of subparagraph (E) thereof, (2) striking the period at the end of subparagraph (F) and inserting in lieu thereof "; and", and (3) by adding at the end thereof the following new subparagraph:

"(G) reasonably estimated or foreseeable future costs and revenues for such air carrier or foreign air carrier for a reasonably limited future period during which the rate at issue would be in effect.".

SEC. 16. Section 1102 of the Federal Aviation Act of 1958 (49 U.S.C. 1502) is amended by inserting "(a)" immediately after "SEC. 1102." and by adding at the end thereof the following new subsections:

"GOALS FOR INTERNATIONAL AVIATION POLICY

"(b) In formulating United States international air transportation policy, the Congress intends that the Secretary of State, the Secretary of Transportation, and the Civil Aeronautics Board shall develop a negotiating policy which emphasizes the greatest degree of competition that is compatible with a well-functioning international air transportation system. This includes, among other things:

"(1) the strengthening of the competitive position of United States air carriers, including the attainment of opportunities for United States air carriers to maintain and increase their market share, in foreign air transportation;

"(2) freedom of air carriers and foreign air carriers to offer fares and rates which correspond with consumer demand;

"(3) the fewest possible restrictions on charter air transportation;

"(4) the maximum degree of multiple and permissive international authority for United States air carriers so that they will be able to respond quickly to shifts in market demand;

"(5) the elimination of operational and marketing restrictions to the greatest extent possible;

"(6) the integration of domestic and international air transportation;

"(7) an increase in the number of nonstop, United States gateway cities;

"(8) opportunities for carriers of foreign countries to increase their access to United States points if exchanged for benefits of similar magnitude for United States carriers or the traveling public with permanent linkage between rights granted and rights given away;

"(9) the elimination of discrimination and unfair competitive practices faced by United States airlines in foreign air transportation, including excessive landing and user fees, unreasonable ground handling requirements, undue restrictions on operations, prohibitions against change of gage, and similar restrictive practices; and

"(10) the promotion, encouragement, and development of civil aeronautics and a viable, privately owned United States air transport industry.

"CONSULTATION WITH AFFECTED GROUPS

"(c) To assist in developing and implementing such an international aviation negotiating policy, the Secretaries of State and Transportation and the Civil Aeronautics Board shall consult, to the maximum extent practicable, with the Secretary of Commerce, the Secretary of Defense, airport operators, scheduled air carriers, charter air carriers, airline labor, consumer interest groups, travel agents and tour organizers, and other groups, institutions, and government agencies affected by international aviation policy concerning both broad policy goals and individual negotiations.

"OBSERVER STATUS FOR CONGRESSIONAL REPRESENTATIVES

"(d) The President shall grant to at least one representative of each House of Congress the privilege to attend international aviation negotiations as an observer if such privilege is requested in advance in writing.".

SEC. 17. (a) The center heading for section 1102 of the Federal Aviation Act of 1958 is amended to read as follows:

"INTERNATIONAL AGREEMENTS

"ACTIONS OF THE BOARD AND SECRETARY OF TRANSPORTATION".

(b) That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the center heading

"TITLE XI—MISCELLANEOUS"

is amended by striking out

"Sec. 1102. International agreements."

and inserting in lieu thereof

"Sec. 1102. International agreements.

"(a) Actions of the Board and Secretary of Transportation.

"(b) Goals for international aviation policy.

"(c) Consultation with affected groups.

"(d) Observer status for Congressional representatives.".

SEC. 18. Section 1104 of the Federal Aviation Act of 1958 (49 U.S.C. 1504) is amended by striking the words "international negotiations and" and inserting in lieu thereof "international negotiations or".

SEC. 19. The third sentence of section 1108(b) of the Federal Aviation Act of 1958 (49 U.S.C. 1508(b)) is amended by inserting immediately before the period at the end thereof the following: ", unless specifically authorized under regulations prescribed by the Secretary authorizing United States air carriers to engage in otherwise authorized common carriage and carriage of mail with foreign registered aircraft under lease or charter to them without crew".

Sec. 20. Section 1117 of the Federal Aviation Act of 1958 (49 U.S.C. 1517) is amended to read as follows:

"TRANSPORTATION OF GOVERNMENT-FINANCED PASSENGERS AND PROPERTY

"TRANSPORTATION BETWEEN THE UNITED STATES AND A PLACE OUTSIDE THEREOF

"SEC. 1117. (a) Whenever any executive department or other agency or instrumentality of the United States shall procure, contract for, or otherwise obtain for its own account or in furtherance of the purposes or pursuant to the terms of any contract, agreement, or other special arrangement made or entered into under which payment is made by the United States or payment is made from funds appropriated, owned, controlled, granted, or conditionally granted or utilized by or otherwise established for the account of the United States, or shall furnish to or for the account of any foreign nation, or any international agency, or other organization.

of whatever nationality, without provisions for reimbursement, any transportation of persons (and their personal effects) or property by air between a place in the United States and a place outside thereof, the appropriate agency or agencies shall take such steps as may be necessary to assure that such transportation is provided by air carriers holding certificates under section 401 of this Act to the extent authorized by such certificates or by regulations or exemptions of the Civil Aeronautics Board and to the extent service by such carriers is available.

"TRANSPORTATION BETWEEN TWO PLACES OUTSIDE THE UNITED STATES

"(b) Whenever persons (and their personal effects) or property described in subsection (a) of this section are transported by air between two places both of which are outside the United States, the appropriate agency or agencies shall take such steps as may be necessary to assure that such transportation is provided by air carriers holding certificates under section 401 of this Act to the extent authorized by such certificates or by regulations or exemption of the Civil Aeronautics Board and to the extent service by such carriers is reasonably available.

"DISALLOWANCE OF IMPROPER EXPENDITURE BY COMPTROLLER GENERAL

"(c) The Comptroller General of the United States shall disallow any expenditure from appropriated funds for payment for personnel or cargo transportation in violation of this section in the absence of satisfactory proof of the necessity therefor. Nothing in this section shall prevent the application to such traffic of the antidiscrimination provisions of this Act.".

SEC. 21. That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the center heading

"TITLE XI—MISCELLANEOUS"

is amended by striking out

"Sec. 1117. Transportation of Government-financed passengers and property."

and inserting in lieu thereof

"Sec. 1117. Transportation of Government-financed passengers and property.

"(a) Transportation between the United States and a place outside thereof.

"(b) Transportation between two places outside the United States.

"(c) Disallowance of improper expenditure by Comptroller General.".

SEC. 22. Section 2 of the International Air Transportation Fair Competitive Practices Act of 1974 (49 U.S.C. 1159b) is amended by redesignating subsections (b) and (c) as subsections (c) and (d), respectively, and adding a new subsection (b) as follows:

"(b) Whenever the Civil Aeronautics Board, upon complaint or upon its own initiative, determines that a foreign government or instrumentality, including a foreign air carrier (1) engages in unjustifiable or unreasonable discriminatory, predatory, or anticompetitive practices against a United States air carrier or (2) imposes unjustifiable or unreasonable restrictions on access of a United States air carrier to foreign markets, the Board may take such action as it deems to be in the public interest to eliminate such practices or restrictions. Such actions may include, but are limited to, the denial, transfer, alteration, modification, amendment, cancellation, suspension, limitation, or revocation of any foreign air carrier permit or tariff pursuant to the powers of the Board under the Federal Aviation Act of 1958.

"(2) Any United States air carrier or any agency of the Government of the United States may file a complaint under this section with the Civil Aeronautics Board. The Board shall approve, deny, dismiss, set such complaint for hearing or investigation, or institute other proceedings proposing remedial action within 60 days after receipt of the complaint. The Board may extend the period for taking such action for an additional period or periods of up to 30 days each if the Board concludes that it is likely that the complaint can be satisfactorily resolved through negotiations with the foreign government or instrumentality during such additional period, but in no event may the aggregate period for taking action under this subsection exceed 180 days from receipt of the complaint. In considering any complaint, or in any proceedings under its own initiative, under this subsection the Board shall (A) solicit the views of the Department of State and the Department of Transportation and (B) provide any affected air carrier or foreign air carrier with reasonable notice and such opportunity to file written evidence and argument as is consistent with acting on the complaint within the time limits set forth in this subsection.

"(3) Any action proposed by the Board pursuant to this section shall be transmitted to the President pursuant to section 801 of the Federal Aviation Act of 1958 (49 U.S.C. 1461).".

SEC. 23. (a) Section 1002(j) of the Federal Aviation Act of 1958 (49 U.S.C. 1482(j)) is amended by adding at the end thereof the following new paragraphs:

"(6) The Board shall not have authority to find any fare for foreign air transportation of persons to be unjust or unreasonable on the basis that such fare is too low or too high if—

"(A) with respect to any proposed increase filed with the Board on or after the date of enactment of this paragraph, such proposed fare would not be more than 5 percent higher than the standard foreign fare level for the same or essentially similar class of service. No such fare shall be suspended, unless the Board determines that it may be unduly preferential, unduly prejudicial, or unjustly discriminatory or that suspension is in the public interest because of unreasonable regulatory actions by a foreign government with respect to fare proposals of an air carrier; or

"(B) with respect to any proposed decrease filed after the establishment of standard foreign fare levels, the fare would not be more than 50 percent lower than the standard foreign fare level for the same or essentially similar class of service, except that this provision shall not apply to any proposed decrease in any fare if the Board determines that such proposed fare may be predatory or discriminatory or that suspension of any such fare is required because of unreasonable regulatory options by a foreign government with respect to fare proposals by an air carrier.

"(7) For purposes of paragraph (6) of this subsection, 'standard foreign fare level' means that fare level (as adjusted only in accordance with paragraph (8) of this section) in effect on October 1, 1979 (with seasonal fares adjusted by the percentage difference that prevailed between seasons in 1978), for each pair of points, for each class of fare existing on that date, and in effect on the effective date of the establishment of each additional class of fare established after October 1, 1979.

"(8) The Board shall, not less often than semiannually, adjust each standard fare level established pursuant to paragraph (7) of this subsection for the particular foreign air transportation to which such standard foreign fare level applies by increasing or decreasing such standard foreign fare level, as the case may be, by the percentage change from the last previous period in the actual operating cost per available seat-mile. In determining the standard foreign fare level, the Board shall make no adjustment to costs actually incurred. In establishing standard foreign fare levels pursuant to paragraph (7) of this subsection and making the adjustments called for in this paragraph, the Board may use all relevant or appropriate information reasonably available to it.

"(9) The Board may by rule increase the percentage specified in subparagraph 6(B) of this subsection.".

(b) Section 403(c)(1) of the Federal Aviation Act of 1958 (49 U.S.C. 1373(c)(1)) is amended by (1) inserting the words "or foreign air carrier" after the words "air carrier" each time those words appear therein and (2) inserting the words "or foreign air carrier's" after the words "air carrier's".

(c) Section 403(c)(2) of the Federal Aviation Act of 1958 (49 U.S.C. 1373(c)(2)) is amended to read as follows:

"(2) If the effect of any proposed tariff change would be to institute a fare that is outside of the applicable range of fares specified in subparagraphs (A) and (B) of section 1002(d)(4) or subparagraphs (A) and (B) of section 1002(j)(6) of this Act, or specified by the Board under section 1002(d)(7) or section 1002(j)(9) of this Act, or would be to institute a fare to which such range of fares does not apply, then such proposed change shall not be implemented except after 60 days' notice filed in accordance with regulations prescribed by the Board.".

SEC. 24. Section 1002(c) of the Federal Aviation Act of 1958 (49 U.S.C. 1482(c)) is amended by inserting the words ", subject to section 1102(a) of this Act," immediately before the words "issue an appropriate order".

SEC. 25. (a) Paragraph (1) of section 401(n) of the Federal Aviation Act of 1958 (49 U.S.C. 1371(n)(1)) is amended to read as follows:

"(1) Notwithstanding any other provision of this title, no air carrier providing air transportation under a certificate issued under this section shall commingle, on the same flight, passengers being transported in interstate, overseas, or foreign charter air transportation with passengers being transported in scheduled interstate, overseas, or foreign air transportation, except that this subsection shall not apply to the carriage of passengers in air transportation under group fare tariffs.".

(b) Paragraph (1) of section 401(n) of the Federal Aviation Act of 1958 (49 U.S.C. 1371(n)(1)) and the authority of the Civil Aeronautics Board with respect to such paragraph shall cease to be in effect on December 31, 1981.

SEC. 26. Section 414 of the Federal Aviation Act of 1958 (49 U.S.C. 1384) is amended by adding at the end thereof the following new sentence: "Notwithstanding the preceding sentence, on the basis of the findings required by subsection (a)(2)(A)(1) of section 412, the Board shall, as part of any order under such section which approves any contract, agreement, or request or any modification or cancellation thereof, exempt any person affected by such order from the operations of the 'anti-trust laws' set forth in subsection (a) of the first section of the Clayton Act (15 U.S.C. 12) to the extent necessary to enable such person to proceed with the transaction specifically approved by the Board in such order and with those transactions necessarily contemplated by such order.".

SEC. 27. Section 801 of the Federal Aviation Act of 1958 (49 U.S.C. 1461) is amended by adding at the end thereof the following new subsection:

"(c) Any order of the Board pursuant to section 412 of this Act relating to foreign air transportation shall be submitted to the Secretary of State before publication thereof. If the Secretary of State certifies to the Board, within two days after receiving such order, that such order has important foreign policy consequences, the Board shall

submit the order to the President for review before publication thereof. The President may disapprove any such order when he finds that disapproval is required for reasons of the national defense or the foreign policy of the United States not later than ten days following submission by the Board of any such order to the President. Any such Board action so disapproved shall be null and void. Any such Board action not disapproved within the foregoing time limits shall take effect as action of the Board, not the President, and as such shall be subject to judicial review as provided in section 1006 of this Act.".

SEC. 28. Section 45 of the Airline Deregulation Act of 1978 (49 U.S.C. 1341 note) is amended by inserting "(a)" after "SEC. 45." and by adding at the end thereof the following new subsections:

"(b) Nothing in this section shall prohibit the Secretary of Transportation or the Administrator of the Federal Aviation Administration from collecting a fee, charge, or price for any test, authorization, certificate, permit, or rating administered or issued outside the United States relating to any airman or repair station.

"(c) For purposes of this section, the term 'United States' shall have the meaning given such term in section 101 of the Federal Aviation Act of 1958 (49 U.S.C. 1301).".

SEC. 29. Notwithstanding any automatic market entry provision of the Airline Deregulation Act of 1978, or any other provision of law, no common carrier operating in interstate commerce may perform regularly scheduled commercial passenger flights in interstate commerce into or from a satellite airport lying within 20 miles of a major regional airport where the major airport is operated under the direction of a regional airport board and where the satellite airport is operated under the direction of a municipality and where the proprietors of such satellite airport and such regional airport board have determined that the public interest and aviation safety of the region are best served by closing said satellite airport to all commercial passenger interstate traffic. Nothing in this section shall apply to the operations of any commuter airline.

The SPEAKER pro tempore. Is a second demanded?

Mr. SNYDER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California (Mr. ANDERSON) will be recognized for 20 minutes, and the gentleman from Kentucky (Mr. SNYDER) will be recognized for 20 minutes.

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

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

Mr. Speaker, H.R. 5481, the International Air Transportation Competition Act of 1979, modernizes the laws governing international aviation, most of which have been in effect since 1938. During this 40-year period, international aviation has evolved from an infant industry to the basic system of international passenger transportation. A thorough modernization and revision of the governing law is needed.

The main features of H.R. 5481 are as follows:

First, the bill establishes new policy statements to guide the Civil Aeronautics Board and other agencies in regulating international aviation, and in conducting international aviation negotiations. These policy statements contemplate that to the maximum extent possible, reliance will be placed on competition, rather than on detailed and burdensome government regulation, to determine the services which will be offered to the traveling public. At the same time, the policy statements recognize that there are differences between international and domestic aviation; the critical difference being that in domestic markets a competitive environment can be established by actions of the U.S. Government, while in international markets, competition can be established only by agreement between the United States and one or more foreign governments.

Since most foreign governments do not share our country's beliefs in the benefits of unregulated competition in aviation, the policy statements contemplate that there will be a continuing need to seek equal opportunity for our international airlines through negotiations and regulatory actions.

In recognition of these needs, the policy statements of H.R. 5481 require our Government to enter into agreements in which there is linkage between aviation opportunities granted and aviation opportunities given away. The Government is also directed to work to eliminate operational and marketing restrictions placed on U.S. carriers by foreign governments, and to eliminate discriminatory treatment and unfair competitive practices against U.S. airlines by foreign governments. The policy statements further provide that U.S. regulatory and negotiating policies should seek to strengthen the competitive position of U.S. air carriers in foreign air transportation, including opportunities for U.S. carriers to increase and maintain their market share, and promote the development of a viable, privately owned U.S. air transport industry.

Other important provisions of H.R. 5481 give our Government new powers to use in its efforts to end discrimination and operational and marketing restrictions on our carriers. The bill gives the Government the powers to suspend or revoke permits and rates of foreign air carriers whose governments place unreasonable restrictions on the operation of U.S. air carriers. The new powers given to our Government by H.R. 5481 are comparable to the powers which many foreign governments have and use against our carriers. The new powers given to the Civil Aeronautics Board by H.R. 5481 generally are subject to Presidential review and it is contemplated that restrictive actions will be taken only as a response in kind, after all reasonable efforts have been made to resolve disputes by negotiation.

H.R. 5481 also gives air carriers operating in foreign air transportation fare flexibility comparable to that which was authorized for domestic air carriers in the Airline Deregulation Act of 1978. In recent months, it has become clear that airlines operating internationally need flexibility to respond promptly to increases in their costs. In addition to general inflation, airline fuel costs have been escalating dramatically.

The existing regulatory system is not well equipped to deal with these sudden cost increases. Under the existing system, any request for a fare increase must be supported by a detailed justification, and analysis of the request by the Civil Aeronautics Board can take 60 days or more. By the time analysis is completed, an airline may have been incurring higher costs for months. There is a need to replace this regulatory mechanism with one which permits airlines to respond to cost changes promptly and automatically, without the delays required for case-by-case filings and analysis.

To accomplish these objectives, H.R. 5481 includes a fare flexibility provision permitting airlines to adopt fares 5 percent above or 50 percent below a standard industry fare level. The standard industry fare level starts with the fares in effect on October 1, 1979, and will be adjusted periodically to reflect changes in airline costs. This provision is similar to the fare flexibility provision in the Domestic Deregulation Act, which also uses a standard industry fare level based on the fares in effect on a specified date, and which also allows a passthrough of cost changes.

Mr. Speaker, H.R. 5481 represents modernization of the law governing international aviation. The statutory modernization and the elimination of unnecessary regulation should benefit both consumer and the U.S. airlines which provide international service. I urge my colleagues to join me in passing this important legislation.

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

Mr. Speaker, I would like first to commend Chairman JOHNSON, Chairman ANDERSON, and Mr. HARSHA, our ranking minority member, for their work on this legislation. This bill represents a logical outgrowth of Congress efforts to deregulate the domestic air transporation system. To the extent possible, the same procompetitive theories will now be applied by U.S. negotiators to the international market place.

The bill sets forth a procompetitive policy statement to direct the Civil Aeronautics Board in carrying out its duties with regard to routes, rates, and entry. It also establishes a number of goals for the CAB and Departments of State and Transporation to follow in establishing a negotiating policy for bilateral agreements. Again, competition is the theme, with equal emphasis on strengthening U.S. air carriers, increasing U.S. carrier market shares, and eliminating unfair competitive practices engaged in by foreign nations.

The policy of strengthening the competitive position of U.S. air carriers is consistent with other U.S. foreign trade policy. Any diminution in the strength of our carriers will ultimately adversely affect the economy, the taxpayer, and the consumer, as well as frustrate the objective of full employment and economic growth.

As set forth in the statement of goals,

our negotiators should make every effort to eliminate operating and marketing restrictions imposed by foreign carriers. In addition to market access, ground handling of aircraft, passengers, and cargo, there are several marketing obstacles that U.S. carriers face. These include, among others, restriction or monopoly of reservations computers, currency restrictions, and ticketing restrictions. Foreign carriers operating in the United States do not face these types of obstacles, and thus compete with U.S. carriers on a much more equal footing than is possible for U.S.-flag carriers on foreign turf.

This legislation gives the CAB tools with which to pursue so-called liberal bilaterals. I wish to emphasize that the CAB is also expected to see to it that these agreements are lived up to by foreign entities and, if not, the CAB is expected to take appropriate countermeasures.

There are numerous cases where foreign governments have placed unfair anticompetitive restrictions on U.S. carriers. In order to promote the elimination of these restrictions, the bill gives the CAB authority to summarily modify, suspend, or revoke a foreign air carrier permit if the foreign government or foreign air carrier impairs the operating rights of U.S. carriers or engages in unfair or restrictive practices with an adverse impact on the U.S. carriers. Further, the bill would amend the Unfair Competitive Practices Act to provide Government agencies and U.S. carriers with the option of initiating proceedings with the CAB to try and resolve unfair competitive practice disputes through negotiation, and failing that, through sanctions against the foreign government or carrier.

This legislation also amends existing law to conform international route awards, foreign agreements, and tariffs to the Deregulation Act of 1978. Applications for international route authority are to be granted if "consistent with" the public convenience and necessity rather than "required by" the public convenience and necessity. Agreements affecting foreign air transportation will be subject to the same antitrust principles as domestic agreements. In fact, the modified local cartage standard has already been applied to international carrier agreements under CAB precedents.

Fuel costs over the last year have risen at an astronomical rate. Aviation fuel has almost doubled within that time and now approaches an average of 75 cents per gallon. In many cases, much higher rates are paid for fuel in the "spot market."

Given rapidly escalating fuel costs and regulatory lag in approving price increases to cover these costs, we have included in the bill a fare flexibility mechanism similar to that enacted in the Airline Deregulation Act for domestic fare increases. Basically, this would allow carriers to raise their international fares 5 percent above or lower than 50 percent below a standard foreign fare level without CAB approval. Of course, any such fare increases could be suspended if the CAB finds them to be unduly preferential, unduly prejudicial, or unjustly discriminatory. Fare decreases could be suspended if found predatory or discriminatory.

Mr. Speaker, this legislation is consistent with our efforts in applying a procompetitive policy to domestic air transportation, and it is only fair that our international carriers be put on the same footing to the extent possible as our domestic carriers.

Mr. ANDERSON of California. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. FARY).

Mr. FARY. Mr. Speaker, if I could have the attention of the gentleman from Texas (Mr. WRIGHT) please. Section 29, Mr. WRIGHT, of this bill is written to finally correct the situation the CAB has allowed to exist in the gentleman's district. I would like to ask the gentleman if he would elaborate for the record on this situation at Love Field?

Mr. WRIGHT. Mr. Speaker, I would be delighted to explain once again the purpose of the committee and the purpose of Congress in this particular legislation. The language to which he refers applies with specificity only to the situation at Love Field, Tex., and at the Dallas-Fort Worth International Airport.

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It simply reaffirms what this Congress declared at the time we enacted the airline deregulation bill. We tried to make it clear on the floor of this House that a local airport board and the cities who own the airports should be able to decide which of those airports shall be used in interstate traffic. The city of Dallas had closed Love Field, and the cities of Fort Worth and Dallas jointly had committed $600 million of their taxpayers' money to the building of a new, modern, and safe facility midway between those two cities.

The regional airport board declared that all interstate flights should come into and leave from the new facility. Notwithstanding that, one airline on its own petitioned the Civil Aeronautics Board under the Airline Deregulation Act to permit it to inaugurate a new series of interstate flights at the abandoned Love Field. Federal Aviation Administration experts have said that it was potentially unsafe. Former Regional Director Henry Newman declared that it was not a safe situation to mix big airliners from interstate travel with small private aircraft in the air, flying at greatly different rates of speed into that field. Love Field had been set aside for private aircraft.

Notwithstanding that, the Civil Aeronautics Board, by a tortured reasoning, misinterpreted the action of the Congress, in spite of our clear colloquy to the contrary on this very floor on the day of its passage. The CAB misconstrued the automatic market entry provision of that law as intending that any airline on its own option could inaugurate interstate flights at any landing strip anywhere it wanted to, regardless of what the city said which owned the airport. So, we are simply setting that matter straight once more.

Mr. FARY. I thank the gentleman. Then, this amendment then is not in any way meant to affect interstate air traffic into and out of Midway Field in Chicago?

Mr. WRIGHT. Absolutely not, The gentleman is absolutely correct. The city of Chicago and the regional airport authorities wanted both airports, O'Hare and Midway, to be used in the Chicago area; and that is their choice. So, nothing contained in this language would adversely affect that.

Mr. FARY. I thank the gentleman.

Mr. Speaker, I thank the gentleman from Texas (Mr. WRIGHT), for yielding to me. As a member of the Aviation Subcommittee of the Committee on Public Works and Transportation I feel it is very important for me to state for the record that the committee amendment before the House, section 29 of H.R. 5481, is meant to apply solely to Love Field and Dallas-Fort Worth airports. The committee accepted this amendment solely to correct a longstanding misinterpretation of the congressional intent by the Civil Aeronautics Board.

In pointing out for the record that this is not in any way meant to apply to Chicago's airports, I am merely trying to make certain that the CAB does not misinterpret any of the terms used in the amendment to the detriment of the Chicago area where, in fact, the Congress has been trying to encourage reliever or satellite airport service from Midway field.

Mr. ANDERSON of California. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. JOHNSON).

Mr. JOHNSON of California. Mr. Speaker, I rise in support of H.R. 5481. The bill will update the laws governing international aviation, and establish new policies to guide U.S. negotiators and regulators.

The reported bill follows the lead of the domestic aviation bill which we passed last year, by establishing competition as the mainstay of our international aviation policy. However, H.R. 5481 also recognizes that in many cases we will be unable to negotiate agreements with foreign governments to establish a competitive environment. In these cases, hard bargaining will still be required to insure fair treatment for U.S. consumers and U.S. air carriers.

H.R. 5481 also gives our Government new powers to use against foreign air carriers when foreign governments discriminate against our air carriers and we are unable to resolve the problem by negotiation. The new powers granted to our Government are comparable to those which foreign governments use against our air carriers. It is essential that the U.S. Government be placed on an equal footing.

Other important provisions of H.R. 5481 gives U.S. carriers fare flexibility, to permit them to respond to increasing costs and changing market conditions. The fare flexibility provisions will facil-

itate reductions in fares to attract new passengers, as well as fare increases which are required by rising costs. The international provision is comparable to the fare flexibility provision in the Domestic Deregulation Act. It will increase the competitive effectiveness of our air carriers.

Mr. Speaker, I urge passage of this important legislation.

Mr. SNYDER. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Speaker, I rise in support of this legislation and commend the committee for its progressive attitude toward protecting U.S. interests in international air travel. I also take this time to call to the attention of this House that the gentleman from Illinois (Mr. FARY), was more than any other individual responsible for the effective reopening of Chicago's Midway Airport. He fought the bureaucracy; he fought the airlines; he fought the lackadaisical city administration, and because of his efforts Midway will now be restored as an effective entity serving consumers.

Whenever Members have an opportunity to fly into Chicago, if they go through Midway or if they find O'Hare a little easier because of the adjusted service, Mr. FARY is the man responsible. I wish to take this time to commend him for his leadership in this field.

Mr. ANDERSON of California. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. DE LA GARZA).

Mr. DE LA GARZA. Mr. Speaker, I appreciate the gentleman yielding to me. I would like to mention that in the amendment discussed by the gentleman from Chicago (Mr. FARY) and the gentleman from Texas (Mr. WRIGHT) I have a problem that I would like to place before the House.

The city of Harlingen is one of the major cities in my congressional district. The only airline that flies into Harlingen utilizes Love Field and Hobby in Houston. Therefore, if they are not allowed to operate into interstate commerce from those airfields, the city of Harlingen is placed in a position where we have a major city in Texas of some 60,000 people without any interstate flights to it, because only this one airline flies into that city.

I have no interest in involving myself in the needs of the constituency of my dear friend from Fort Worth, but I would like for the House to know the predicament my area is placed in, in that this airline is the only one that serves Harlingen. If it is not granted permission to fly from that specific airport, maybe something else can be worked out, but at this time we have a problem that I feel must be placed before the House.

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

Mr. DE LA GARZA. I yield to my colleague from Texas.

Mr. WRIGHT. Mr. Speaker, I thank the gentleman for raising this question. Nothing in this language will adversely affect the city of Harlingen. I agree with the gentleman that the people of Harlingen and the Rio Grande Valley deserve interstate flights. There is nothing in this language that will harm the flights now serving Harlingen, and connecting with the Dallas-Fort Worth area. Those are intrastate flights.

Additionally, there is nothing in this language which would prevent Southwest Airlines from flying interstate flights from the Harlingen airport which the gentleman's regional airport board has designated as the principal airport in the area for interstate flights.

In addition to that, Harlingen easily could be served in interstate traffic by Southwest Airlines with intermediate stops in the Dallas-Fort Worth area if the management of Southwest simply will do what every other airline has agreed to do, and that is to bring their interstate flights into the Dallas-Fort Worth International Airport.

Mr. DE LA GARZA. I appreciate the gentleman's concern and his explanation. Nonetheless, the amendment as read, whatever the problem is over there, if this airline is not allowed to fly out of that airport at this time, as the gentleman knows——

Mr. WRIGHT. If the gentleman will yield further, the airline is fully authorized and invited to fly out of the Dallas-Fort Worth International Airport just as every other airline does. That particular airline wants a monopoly by which it might thumb its nose at the city officials of Dallas and Fort Worth. If we allow them to get by with that, I suggest to the gentleman from the Rio Grande Valley, then the next thing it might do would be to thumb its nose at the city officials and public authorities of the regional airport in the southern part of Texas.

There is nothing in this language that adversely affects Harlingen one way or another. Harlingen will still be served if Southwest is willing to serve Harlingen; and for Southwest Airlines to stir up the people of the Rio Grande Valley against the wishes and best interests of Dallas-Fort Worth area and its citizens, in a matter which concerns only the question of which airport it shall use in the Dallas-Forth Worth area is, in my opinion, abominable and well-nigh unpardonable. I think the gentleman from south Texas under tands fully that this is the case.

Mr. DE LA GARZA. I again repeat that I do not want to involve myself in the problems that the gentleman has over there.

Mr. WRIGHT. The gentleman from north Texas appreciates the remarks of the gentleman from south Texas.

Mr. DE LA GARZA. I would hope that my dear colleague and friend would see my predicament, and if there is any way that we could arrive at something that would protect the interests of the city of Harlingen and conceivably the interests of the gentleman's constituency, maybe we might arrive at some solution equitable to both sides.

Mr. WRIGHT. The gentleman is assured that I certainly will. I will guarantee the gentleman that those flights from Harlingen can land at Dallas-Fort Worth International Airport and go out of there into interstate traffic. If there are any other ways in which we can further assist in providing necessary additional service to Harlingen and the Rio Grande Valley, I think the gentleman from Texas knows that I will be glad to work with him toward that end.

● Mr. HARSHA. Mr. Speaker, the distinguished gentlemen from Kentucky and California have ably described this legislation which I urge my colleagues to support. One of the primary purposes of this bill is to establish a statutory negotiating policy with respect to foreign air transportation agreements with other nations. Prior to this time, the pursuit of U.S. air transportation policy has taken varying courses.

This bill will establish an unequivocal procompetitive course for international air transportation agreements. The Airline Deregulation Act of 1978 has shown promise for both the consumer and the airline industry as well, and I believe the same procompetitive concepts can be applied to the international marketplace to a certain extent.

This legislation establishes a policy of placing maximum reliance on competitive market forces, achieving efficient and low-price services, eliminating unfair and discriminatory practices, and strengthening the competitive position of U.S. carriers.

The latter factor was included in recognition of economic and political considerations in foreign transportation which preclude theories of domestic regulatory reform from being equally applied to the international marketplace. Thus, the goal of strengthening the competitive position of U.S. air carriers is to be equally balanced with the goal of competition. Given the nature of international trade, this makes abundant sense. Obviously, our trade deficit has reached new depths due to our oil imports, and any increase in this dismal deficit will only further fuel inflation, increase the jobless rate, and further weaken the dollar.

With respect to international regulatory procedures, the bill simplifies obtaining route authority, makes the filing of international agreements permissive and applies the same antitrust principles to those agreements as the domestic regulatory reform bill. Also, the bill would allow U.S. carriers to lease foreign-registered aircraft without crew for operation between points solely within the United States.

In order to facilitate fostering competition in international air transportation this legislation provides the CAB additional authority to impose countermeasures against foreign carriers if the foreign government has imposed unreasonable, discriminatory and unfair restrictions on U.S. carriers. Thus, the bill makes it easier for the Board to amend or suspend foreign air carrier permits, gives greater power to the Board to suspend or cancel foreign air carrier tariffs. Also, the CAB is given authority to take any other retaliatory action deemed to be in the public interest.

Oil prices have risen tremendously over the past 12 months. The price of jet fuel has almost doubled over that period, and in the "spot market" even higher prices are paid. In short, air carriers are not able to adjust their tariffs fast enough because of both the volatile nature of the fuel market and the regulatory lag in obtaining permission to make these adjustments. Under current law it takes 60 days or more to obtain consent from the CAB to make a change in fares. In order to alleviate this situation, the bill would permit carriers to raise international fares 5 percent above the decrease fares 50 percent below a "standard foreign fare level" without CAB approval. This flexibility was given to carriers operating in domestic markets when the Airline Deregulation Act of 1978 was passed. The baseline from which fares can be increased or decreased would be those fares in effect on October 1, 1979, adjusted semiannually for changes in operating costs per available seat mile.

Clearly, legislation such as this which will reduce cumbersome regulation and spur on competition is the correct course to pursue.

Mr. Speaker, I urge my colleagues to support this legislation.●

□ 1330

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

Mr. ANDERSON of California. We have no further requests for time, Mr. Speaker, and I reserve the remainder of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. JOHNSON) that the House suspend the rules and pass the bill, H.R. 5481, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

GENERAL LEAVE

Mr. ANDERSON of California. 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.

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

There was no objection.

Mr. JOHNSON of California. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation be discharged from further consideration of the Senate bill (S. 1300) to amend the Federal Aviation Act of 1958 in order to promote competition in international air transportation, provide greater opportunities for U.S. air carriers, establish goals for developing U.S. international aviation negotiating policy, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

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

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1300

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "International Air Transportation Competition Act of 1979".

SEC. 2. Section 102(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1302(a)) is amended to read as follows:

"DECLARATION OF POLICY: THE BOARD

"FACTORS FOR INTERSTATE, OVERSEAS, AND FOREIGN AIR TRANSPORTATION

SEC. 102. (a) In the exercise and performance of its powers and duties under this Act, the Board shall consider the following among other things, as being in the public interest, and in accordance with the public convenience and necessity:

"(1) The assignment and maintenance of safety as the highest priority in air commerce, and prior to the authorization of new air transportation services, full evaluation of the recommendations of the Secretary of Transportation on the safety implications of such new services and full evaluation of any report or recommendation submitted under section 107 of this Act.

"(2) The prevention of any deterioration in established safety procedures, recognizing the clear intent, encouragement, and dedication of the Congress to the furtherance of the highest degree of safety in air transportation and air commerce, and the maintenance of the safety vigilance that has evolved within air transportation and air commerce and has come to be expected by the traveling and shipping public.

"(3) The availability of a variety of adequate, economic, efficient, and low-price services by air carriers and foreign air carriers without unjust discriminations, undue preferences or advantages, or unfair or deceptive practices, the need to improve relations among, and coordinate transportation by, air carriers, and the need to encourage fair wages and equitable working conditions for air carriers.

"(4) The placement of maximum reliance on competitive market forces and on actual and potential competition (A) to provide the needed air transportation system, and (B) to encourage efficient and well-managed carriers to earn adequate profits and to attract capital, taking account, nevertheless, of material differences, if any, which may exist between interstate and overseas air transportation, on the one hand, and foreign air transportation, on the other.

"(5) The development and maintenance of a sound regulatory environment which is responsive to the needs of the public and in which decisions are reached promptly in order to facilitate adaption of the air transportation system to the present and future needs of the domestic and foreign commerce of the United States, the Postal Service, and the national defense.

"(6) The encouragement of air service at major urban areas in the United States through secondary or satellite airports, where consistent with regional airport plans of regional and local authorities, and when such encouragement is endorsed by appropriate State entities encouraging such service by air carriers whose sole responsibility in any specific market is to provide service exclusively at the secondary or satellite airport, and fostering an environment which reasonably enables such carriers to establish themselves and to develop their secondary or satellite airport services.

"(7) The prevention of unfair, deceptive, predatory, or anticompetitive practices in air transportation, and the avoidance of—

"(A) unreasonable industry concentration, excessive market domination, and monopoly power; and

"(B) other conditions;

that would tend to allow one or more air carriers or foreign air carriers unreasonably to increase prices, reduce services, or exclude competition in air transportation.

"(8) The maintenance of a comprehensive and convenient system of continuous scheduled interstate and overseas airline service for small communities and for isolated areas in the United States, with direct Federal assistance where appropriate.

"(9) The encouragement, development, and maintenance of an air transportation system relying on actual and potential competition to provide efficiency, innovation, and low prices, and to determine the variety, quality, and price of air transportation services.

"(10) The encouragement of entry into air transportation markets by new air carriers, the encouragement of entry into additional air transportation markets by existing air carriers, and the continued strengthening of small air carriers so as to assure a more effective, competitive air line industry.

"(11) The promotions, encouragement, and development of civil aeronautics and a viable, privately owned United States air transport industry.".

SEC. 3. (a) Section 102(c) of the Federal Aviation Act of 1958 (49 U.S.C. 1302(c)) is repealed.

(b) That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the side heading

"Sec. 102. Declaration of policy: The Board."

is amended by striking out

"(a) Factors for interstate and overseas air transportation.

"(b) Factors for all-cargo service.

"(c) Factors for foreign air transportation."

and inserting in lieu thereof

"(a) Factors for interstate, overseas, and foreign air transportation.

"(b) Factors for all-cargo service.".

SEC. 4. Section 401(d)(1) through 401(d)(3) of the Federal Aviation Act of 1958 (49 U.S.C. 1371(d)(1) through (d)(3)) are amended to read as follows:

"ISSUANCE OF CERTIFICATE

"(d)(1) The Board shall issue a certificate authorizing the whole or any part of the transportation covered by the application, if it finds that the applicant is fit, willing, and able to perform such transportation properly and to conform to the provisions of this Act and the rules, regulations, and requirements of the Board hereunder, and that such transportation is consistent with the public convenience and necessity; otherwise such application shall be denied.

"(2) In the case of an application for a certificate to engage in temporary air transportation, the Board may issue a certificate authorizing the whole or any part thereof for such limited periods as is consistent with the public convenience and necessity, if it finds that the applicant is fit, willing, and able properly to perform such transportation and to conform to the provisions of this Act and the rules, regulations, and requirements of the Board hereunder.

"(3) In the case of an application for a certificate to engage in charter air transportation, the Board may issue a certificate to any applicant, not holding a certificate under paragraph (1) or (2) of this subsection on January 1, 1977, authorizing interstate air tranportation of persons, which authorizes the whole or any part thereof for such periods, as is consistent with the public convenience and necessity, if it finds that the applicant is fit, willing, and able properly to perform the transportation covered by the application and to conform to the provisions of this Act and the rules, regulations, and requirements of the Board hereunder.".

SEC. 5. The first sentence of section 401(e)(2) of the Federal Aviation Act of 1958 (49

U.S.C. 1371(e)(2)) is amended by striking out the words ", insofar as the operation is to take place without the United States,".

SEC. 6. Section 401(g) of the Federal Aviation Act of 1958 (49 U.S.C. 1371(g)) is amended by inserting "(1)" immediately after "(g)" and by adding at the end thereof the following new paragraph:

"(2) Notwithstanding the provisions of subsection (g)(1) of this section, the Board may suspend or revoke authority to serve any point authorized in a certificate issued under this section, upon notice and with a reasonable opportunity for the affected carrier to present its views, but without hearing, if the carrier has notified the Board in accordance with paragraph (j) of this section or any regulation of the Board that it proposes to suspend all service provided by that carrier to such point, or if the carrier has failed to provide any significant service to the point for 90 days preceding the date of the Board's notice to the carrier of its proposed action.".

SEC. 7. Section 402(b) of the Federal Aviation Act of 1958 (49 U.S.C. 1372(b)) is amended to read as follows:

"ISSUANCE OF PERMIT

"(b) The Board is empowered to issue such a permit if it finds (1) that the applicant is fit, willing, and able properly to perform such foreign air transportation and to conform to the provisions of this Act and the rules, regulations, and requirements of the Board hereunder and (2) either that the applicant is qualified, and has been designated by its government, to perform such foreign air transportation under the terms of an agreement with the United States, or that such transportation will be in the public interest.".

SEC. 8. The third sentence of section 402(d) of the Federal Aviation Act of 1958 (49 U.S.C. 1372(d)) is amended by striking out "Such application shall be set for public hearing and the" and inserting in lieu thereof "The".

SEC. 9. Section 402(f) of the Federal Aviation Act of 1958 (49 U.S.C. 1372(f)) is amended by inserting "(1)" immediately after "(f)" and by adding at the end thereof the following new paragraph:

"(2) Whenever the Board finds that the government, aeronautical authorities, or foreign air carriers of any foreign country have, over the objections of the Government of the United States, impaired, limited, or denied the operating rights of United States air carriers, or engaged in unfair, discriminatory, or restrictive practices with a substantial adverse competitive impact upon United States carriers, with respect to air transportation services to, from, through, or over the territory of such country, the Board may, without hearing but subject to the approval of the President of the United States, summarily suspend the permits of the foreign air carriers of such country, or alter, modify, amend, condition, or limit operations under such permits, if it finds such action to be in the public interest. The Board may also, without hearing but subject to Presidential approval, to the extent necessary to make the operation of this paragraph effective, restrict operations between such foreign country and the United States by any foreign air carrier of a third country.".

SEC. 10. Section 407(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1377(a)) is amended by inserting the phrase "or foreign air carrier" immediately after the words "air carrier" each time those words appear therein.

SEC. 11. Section 412 of the Federal Aviation Act of 1958 (49 U.S.C. 1382) is amended by—

(1) striking subsections (a) and (b) thereof;

(2) redesignating subsections (c), (d), and (e) as subsections (a), (b), and (c), respectively;

(3) striking the words ", affecting interstate or overseas air transportation and" in subsection (a)(1), as so redesignated by this section;

(4) inserting the words "affecting interstate or overseas air transportation," immediately after the word "agreement," in paragraph (a)(2)(A)(iii), as so redesignated by this section; and

(5) inserting the words "or foreign air carrier" immediately after the words "air carrier" the first two times those words appear in subsection (a)(1), as so redesignated by this section.

SEC. 12. (a) The center heading for section 412(a) of the Federal Aviation Act of 1958, as redesignated by section 11 of this Act, is amended by striking out

"AFFECTING INTERSTATE OR OVERSEAS AIR TRANSPORTATION"

(b) That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the side heading

"Sec. 412. Pooling and other agreements."

is amended to read as follows:

"(a) Filing and approval of agreements.

"(b) Proceedings upon filing.

"(c) Mutual aid agreement."

SEC. 13. (a) Section 416(b) of the Federal Aviation Act of 1958 (49 U.S.C. 1386) is amended by adding at the end thereof the following new paragraphs:

"(7) The Board may by order, to the extent it finds that such action is required in the public interest, exempt any foreign air carrier from the requirements or limitations of this Act, to the extent necessary to authorize the foreign air carrier to lease or charter aircraft, with or without crew to a United States direct air carrier for the performance of service in interstate, overseas, or foreign air transportation by or on behalf of such air carrier under an agreement approved by the Board, subject to such safety regulations as may be prescribed by the Secretary for such operations.

"(8) The Board may by order, to the extent it finds that such action is required in the public interest, exempt any foreign air carrier from the requirements or limitations of this Act, to the extent necessary to authorize the foreign air carrier to carry passengers, cargo, or mail in interstate or overseas air transportation in certain markets if the Board, after consultation with the Secretary of Transportation, finds that—

"(A) because of unusual circumstances, traffic in such markets cannot be accommodated by air carriers holding certificates under section 401 of this Act;

"(B) all reasonable efforts have been made to accommodate such traffic by utilizing the resources of such air carriers (including, for example, the use of foreign aircraft, or sections of foreign aircraft, that are under lease or charter to such air carriers, and the use of such air carriers' reservation systems to the extent practicable); and

"(C) such authorization is necessary to avoid undue hardship for the traffic in such market that cannot be accommodated by air carriers holding certificates under section 401 of this Act.

Whenever the Board grants such authority to a foreign air carrier under this paragraph, the Board shall—

"(i) assure that any air transportation provided by the foreign carrier under such authority is made available on fair and reasonable terms;

"(ii) continuously monitor the passenger load factor of air carriers in such market that hold certificates under section 401 of this Act; and

"(iii) review such authority no less frequently than once every 30 days to assure that the unusual circumstances that created the need for such authority still exist.

In no event shall any authorization to a foreign air carrier under this paragraph remain in effect for more than 5 days after the unusual circumstances that created the need for such authorization have ceased.".

(b) Section 1601(b)(1) of the Federal Aviation Act of 1958 (49 U.S.C. 1551(b)(1)) is amended by adding at the end thereof the following new subparagraph:

"(E) The authority of the Board under section 416(b)(8) of this Act with respect to exempting foreign air carriers from the requirements or limitations of this Act under certain circumstances is transferred to the Department of Transportation.".

SEC. 14. Section 1002(j)(1) of the Federal Aviation Act of 1958 (49 U.S.C. 1482(j)(1)) is amended to read as follows:

"SUSPENSION AND REJECTION OF RATES IN FOREIGN AIR TRANSPORTATION

"(j)(1) Whenever any air carrier or foreign air carrier shall file with the Board a tariff stating a new individual or joint (between air carriers, between foreign air carriers, or between an air carrier or carriers and a foreign air carrier or carriers) rate, fare, or charge for foreign air transportation or any classification, rule, regulation, or practice affecting such rate, fare, or charge, or the value of the service thereunder, the Board is empowered, upon complaint or upon its own initiative, at once, and, if it so orders, without answer or other formal pleading by the air carrier or foreign air carrier, but upon reasonable notice, to enter upon a hearing concerning the lawfulness of such rate, fare, or charge, or such classification, rule, regulation, or practice; and pending such hearing and the decision thereon, or in the case of a tariff filed by a foreign air carrier if such action is in the public interest, the Board, by filing with such tariff, and delivering to the air carrier or foreign air carrier affected thereby, a statement in writing of its reasons for such suspension, may suspend the operation of such tariff and defer the use of such rate, fare, or charge, or such classification, rule, regulation, or practice, for a period or periods not exceeding 365 days in the aggregate beyond the time when such tariff would otherwise go into effect. If, after hearing, the Board shall be of the opinion that such rate, fare, or charge, or such classification, rule, regulation, or practice, is or will be unjust or unreasonable, or unjustly discriminatory, or unduly preferential, or unduly prejudicial, or in the case of a tariff filed by a foreign air carrier if the Board concludes with or without hearing that such action is in the public interest, the Board may take action to reject or cancel such tariff and prevent the use of such rate, fare, or charge, or such classification, rule, regulation, or practice. The Board may at any time rescind the suspension of such tariff and permit the use of such rate, fare, or charge, or such classification, rule, regulation, or practice. If the proceeding has not been concluded and an order made within the period of suspension or suspensions, or if the Board shall otherwise so direct, the proposed rate, fare, charge, classification, rule, regulation, or practice shall go into effect subject, however, to being canceled when the proceeding is concluded. During the period of any suspension or suspensions, or following rejection or cancellation of a tariff, including tariffs which have gone into effect provisionally, the affected air carrier or foreign air carrier shall maintain in effect and use the rate, fare, or charge, or the classification, rule, regulation, or practice affecting such rate, fare, or charge, or the value of service thereunder, which was in effect immediately prior to the filing of the new tariff or such other rate, fare or charge as may be provided for under an applicable intergovernmental

agreement or understanding. If the suspension, rejection, or cancellation is of an initial tariff, the affected air carrier or foreign air carrier may file for purposes of operations pending effectiveness of a new tariff, a tariff embodying any rate, fare, or charge, or any classification, rule, regulation, or practice affecting such rate, fare, or charge, or the value of service thereunder, that may be currently in effect (and not subject to a suspension order) for any air carrier engaged in the same foreign air transportation.".

SEC. 15. Section 1002(j)(2) of the Federal Aviation Act of 1958 (49 U.S.C. 1482 (j)(2)) is amended to read as follows:

"(2) With respect to any existing tariff of an air carrier or foreign air carrier stating rates, fares, or charges for foreign air transportation, or any classification, rule, regulation, or practice affecting such rate, fare, or charge, or the value of the service thereunder, the Board is empowered, upon complaint or upon its own initiative, at once and, if it so orders, without answer or other formal pleading by the air carrier or foreign air carrier, but upon reasonable notice, to enter into a hearing concerning the lawfulness of such rate, fare, or charge, or such classification, rule, regulation, or practice; and pending such hearing and the decision thereon, or in the case of a tariff filed by a foreign air carrier if such action is in the public interest, the Board upon reasonable notice, and by filing with such tariff, and delivering to the air carrier or foreign air carrier affected thereby, a statement in writing of its reasons for such suspension, and the effective date thereof, may suspend the operation of such tariff and defer the use of such rate, fare, or charge, or such classification, rule, regulation, or practice, following the effective date of such suspension, for a period or periods not exceeding 365 days in the aggregate from the effective date of such suspension. If, after hearing, the Board shall be of the opinion that such rate, fare, or charge, or such classification, rule, regulation, or practice, is or will be unjust or unreasonable, or unjustly discriminatory, or unduly preferential, or unduly prejudicial, or in the case of a tariff filed by a foreign air carrier if the Board concludes with or without hearing that such action is in the public interest, the Board may take action to cancel such tariff and prevent the use of such rate, fare, or charge, or such classification, rule, regulation, or practice. If the proceeding has not been concluded within the period of suspension or suspensions, the tariff shall again go into effect subject, however, to being canceled when the proceeding is concluded. For the purposes of operation during the period of such suspension, or the period following cancellation of an existing tariff pending effectiveness of a new tariff, the air carrier or foreign air carrier may file a tariff embodying any rate, fare, or charge, or any classification, rule, regulation, or practice affecting such rate, fare, or charge, or the value of the service thereunder, that may be currently in effect (and not subject to a suspension order) for any air carrier engaged in the same foreign air transportation.".

SEC. 16. Section 1002(j)(5) of the Federal Aviation Act of 1958 (49 U.S.C. 1482(j)(5)) is amended by (1) striking the word "and" at the end of subparagraph (E) thereof, (2) striking the period at the end of subparagraph (F) and inserting in lieu thereof "; and", and (3) by adding at the end thereof the following new subparagraph:

"(G) reasonably estimated or foreseeable future costs and revenues for such air carrier or foreign air carrier for a reasonably limited future period during which the rate at issue would be in effect.".

SEC. 17. Section 1102 of the Federal Aviation Act of 1958 (49 U.S.C. 1502) is amended by inserting "(a)" immediately after "SEC. 1102." and by adding at the end thereof the following new subsections:

"GOALS FOR INTERNATIONAL AVIATION POLICY

"(b) In formulating United States international air transportation policy, the Congress intends that the Secretary of State, the Secretary of Transportation, and the Civil Aeronautics Board shall develop a negotiating policy which emphasizes the greatest degree of competition that is compatible with a well-functioning international air transportation system. This includes, among other things:

"(1) freedom of air carriers and foreign air carriers to offer fares and rates which correspond with consumer demand;

"(2) the fewest possible restrictions on charter air transportation;

"(3) the maximum degree of multiple and permissive international authority for United States air carriers so that they will be able to respond quickly to shifts in market demand;

"(4) the elimination of operational restrictions to the greatest extent possible;

"(5) the integration of domestic and international air transportation;

"(6) an increase in the number of nonstop United States gateway cities;

"(7) opportunities for carriers of foreign countries to increase their access to United States points if exchanged for benefits of similar magnitude for United States carriers or the traveling public with permanent linkage between rights granted and rights given away;

"(8) the elimination of discrimination and unfair competitive practices faced by United States airlines in foreign air transportation, including excessive landing and user fees, unreasonable ground handling requirements, undue restrictions on operations, prohibitions against change of gage, and similar restrictive practices; and

"(9) the promotion, encouragement, and development of civil aeronautics and a viable, privately owned United States air transport industry.

"CONSULTATION WITH AFFECTED GROUPS

"(c) To assist in developing and implementing such an international aviation negotiating policy, the Secretaries of State and Transportation and the Civil Aeronautics Board shall consult, to the maximum extent practicable, with the Secretary of Commerce, the Secretary of Defense, airport operators, scheduled air carriers, charter air carriers, airline labor, consumer interest groups, travel agents and tour organizers, and other groups, institutions, and government agencies affected by international aviation policy concerning both broad policy goals and individual negotiations.

"OBSERVER STATUS FOR CONGRESSIONAL REPRESENTATIVES

"(d) The President shall grant to at least one representative of each House of Congress the privilege to attend international aviation negotiations as an observer if such privilege is requested in advance writing.".

SEC. 18. (a) The center heading for section 1102 of the Federal Aviation Act of 1958 is amended to read as follows:

"INTERNATIONAL AGREEMENTS

"ACTIONS OF THE BOARD AND SECRETARY OF TRANSPORTATION"

(b) That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the center heading

"TITLE XI—MISCELLANEOUS"

is amended by striking out

"Sec. 1102. International agreements."

and inserting in lieu thereof

"Sec. 1102. International agreements.

"(a) Actions of the Board and Secretary of Transportation.

"(b) Goals for international aviation policy.

"(c) Consultation with affected groups.

"(d) Observer status for Congressional representatives.".

SEC. 19. Section 1104 of the Federal Aviation Act of 1958 (49 U.S.C. 1504) is amended by striking the words "international negotiations and" and inserting in lieu thereof "international negotiations or".

SEC. 20. The third sentence of section 1108 (b) of the Federal Aviation Act of 1958 (49 U.S.C. 1508(b)) is amended by inserting immediately before the period at the end thereof the following: ", unless specifically authorized under section 416(b)(7) or 416 (b)(8) of this Act, or under regulations prescribed by the Secretary authorizing United States air carriers to engage in otherwise authorized common carriage and carriage of mail with foreign registered aircraft under lease or charter to them without crew".

SEC. 21. Section 1117 of the Federal Aviation Act of 1958 (49 U.S.C. 1517) is amended to read as follows:

"TRANSPORTATION OF GOVERNMENT-FINANCED PASSENGERS AND PROPERTY

"TRANSPORTATION BETWEEN THE UNITED STATES AND A PLACE OUTSIDE THEREOF

"SEC. 1117. (a) Except as provided in subsection (c) of this section, whenever any executive department or other agency or instrumentality of the United States shall procure, contract for, or otherwise obtain for its own account or in furtherance of the purposes or pursuant to the terms of any contract, agreement, or other special arrangement made or entered into under which payment is made by the United States or payment is made from funds appropriated, owned, controlled, granted, or conditionally granted or utilized by or otherwise established for the account of the United States, or shall furnish to or for the account of any foreign nation, or any international agency, or other organization, of whatever nationality, without provisions for reimbursement, any transportation of persons (and their personal effects) or property by air between a place in the United States and a place outside thereof, the appropriate agency or agencies shall take such steps as may be necessary to assure that such transportation is provided by air carriers holding certificates under section 401 of this Act to the extent authorized by such certificates or by regulations or exemption of the Civil Aeronautics Board and to the extent service by such carriers is available.

"TRANSPORTATION BETWEEN TWO PLACES OUTSIDE THE UNITED STATES

"(b) Except as provided in subsection (c) of this section, whenever persons (and their personal effects) or property described in subsection (a) of this section are transported by air between two places both of which are outside the United States, the appropriate agency or agencies shall take such steps as may be necessary to assure that such transportation is provided by air carriers holding certificates under section 401 of this Act to the extent authorized by such certificates or by regulations or exemption of the Civil Aeronautics Board and to the extent service by such carriers is reasonably available.

"TRANSPORTATION PURSUANT TO BILATERAL AGREEMENT

"(c) Nothing in this section shall preclude the transportation of persons (and their personal effects) or property by foreign air carriers if such transportation is provided for under the terms of a bilateral or multilateral air transport agreement between the United States and a foreign government or governments and if such agreement (1) is consistent with the goals for international aviation policy set forth in section 1102(b) of this Act and (2) provides for the exchange of rights or benefits of similar magnitude.

"DISALLOWANCE OF IMPROPER EXPENDITURE BY COMPTROLLER GENERAL

"(d) The Comptroller General of the United States shall disallow any expenditure from appropriated funds for payment for personnel or cargo transportation in violation of this section in the absence of satisfactory proof of the necessity therefor. Nothing in this section shall prevent the application to such traffic of the antidiscrimination provisions of this Act.".

SEC. 22. That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the center heading.

"TITLE XI—MISCELLANEOUS"

is amended by striking out

"Sec. 1117. Transportation of Government-financed passengers and property."

and inserting in lieu thereof

"Sec. 1117. Transportation of Government-financed passengers and property.

"(a) Transportation between the United States and a place outside thereof.

"(b) Transportation between two places outside the United States.

"(c) Transportation pursuant to bilateral agreement.

"(d) Disallowance of improper expenditure by Comptroller General.".

SEC. 23. Section 2 of the International Air Transportation Fair Competitive Practices Act of 1974 (49 U.S.C. 1159b) is amended by redesignating subsections (b) and (c) as subsections (c) and (d), respectively, and adding a new subsection (b) as follows:

"(b)(1) Whenever the Civil Aeronautics Board, upon complaint or upon its own initiative, determines that a foreign government or instrumentality, including a foreign air carrier (1) engages in unjustifiable or unreasonable discriminatory, predatory, or anticompetitive practices against a United States air carrier or (2) imposes unjustifiable or unreasonable restrictions on access of a United States air carrier to foreign markets, the Board may take such action as it deems to be in the public interest to eliminate such practices or restrictions. Such actions may include, but are not limited to, the denial, transfer, alteration, modification, amendment, cancellation, suspension, limitation, or revocation of any foreign air carrier permit or tariff pursuant to the powers of the Board under the Federal Aviation Act of 1958.

"(2) Any United States air carrier or any agency of the Government of the United States may file a complaint under this section with the Civil Aeronautics Board. The Board shall approve, deny, dismiss, set such complaint for hearing or investigation, or institute other proceedings proposing remedial action within 60 days after receipt of the complaint. The Board may extend the period for taking such action for an additional period or periods of up to 30 days each if the Board concludes that it is likely that the complaint can be satisfactorily resolved through negotiations with the foreign government or instrumentality during such additional period, but in no event may the aggregate period for taking action under this subsection exceed 180 days from receipt of the complaint. In considering any complaint, or in any proceedings under its own initiative, under this subsection the Board shall (A) solicit the views of the Department of State and the Department of Transportation and (B) provide any affected air carrier or foreign air carrier with reasonable notice and such opportunity to file written evidence and argument as is consistent with acting on the complaint within the time limits set forth in this subsection.

"(3) Any action proposed by the Board pursuant to this section shall be transmitted to the President pursuant to section 801 of the Federal Aviation Act of 1958 (49 U.S.C. 1461).".

SEC. 24. (a) Section 1002(j) of the Federal Aviation Act of 1958 (49 U.S.C. 1482(j)) is amended by adding at the end thereof the following new paragraphs:

"(6) The Board shall not have authority to find any fare for foreign air transportation of persons to be unjust or unreasonable on the basis that such fare is too low or too high if—

"(A) with respect to any proposed increase filed with the Board on or after July 1, 1980 to become effective on or after September 1, 1980, such proposed fare would not be more than 5 percent higher than the standard foreign fare level for the same or essentially similar class of service. No such fare shall be suspended, unless the Board determines that it may be unduly preferential, unduly prejudicial, or unjustly discriminatory or that suspension is in the public interest because of unreasonable regulatory actions by a foreign government with respect to fare proposals of an air carrier; or

"(B) with respect to any proposed decrease filed after the establishment of standard foreign fare levels, the fare would not be more than 50 percent lower than the standard foreign fare level for the same or essentially similar class of service, except that this provision shall not apply to any proposed decrease in any fare if the Board determines that such proposed fare may be predatory or discriminatory or that suspension of any such fare is required because of unreasonable regulatory actions by a foreign government with respect to fare proposals by an air carrier.

"(7) For purposes of paragraph (6) of this subsection, 'standard foreign fare level' means that fare level, as adjusted only in accordance with paragraph (8) of this section) in effect on October 1, 1979 (with seasonal fare adjusted by the percentage difference that prevailed between seasons in 1978), for each pair of points, for each class of fare existing on that date, and in effect on the effective date of the establishment of each additional class of fare established after October 1, 1979, except to the extent that the Board concludes by rule that fares which were in effect on such date were unjust or unreasonable. On or before June 15, 1980, the Board shall by rule establish the standard foreign fare level between any two points for which the fare in effect on October 1, 1979 is concluded to be unjust or unreasonable.

"(8) The Board shall, not less often than semiannually, adjust each standard fare level established pursuant to paragraph (7) of this subsection for the particular foreign air transportation to which such standard foreign fare level applies by increasing or decreasing such standard foreign fare level, as the case may be, by the percentage change from the last previous period in the actual operating cost per available seat-mile. In determining the standard foreign fare level, the Board shall make no adjustment to costs actually incurred. In establishing standard foreign fare levels pursuant to paragraph (7) of this subsection and making the adjustments called for in this paragraph, the Board may use all relevant or appropriate information reasonably available to it.

"(9) The Board may by rule increase the percentage specified in subparagraph 6(B) of this subsection.".

(b) Section 403(c)(1) of the Federal Aviation Act of 1958 (49 U.S.C. 1373(c)(1)) is amended by (1) inserting the words "or foreign air carrier" after the words "air carrier" each time those words appear therein and (2) inserting the words "or foreign air carrier's" after the words "air carrier's".

(c) Section 403(c)(2) of the Federal Aviation Act of 1958 (49 U.S.C. 1373(c)(2)) is amended to read as follows:

"(2) If the effect of any proposed tariff change would be to institute a fare that is outside of the applicable range of fares specified in subparagraphs (A) and (B) of section 1002(d)(4) or subparagraphs (A) and (B) of section 1002(j)(6) of this Act, or specified by the Board under section 1002(d)(7) or section 1002(j)(9) of this Act, or would be to institute a fare to which such range of fares does not apply, then such proposed change shall not be implemented except after 60 days' notice filed in accordance with regulations prescribed by the Board.".

SEC. 25. Section 1002(c) of the Federal Aviation Act of 1958 (49 U.S.C. 1482(c)) is amended by inserting the words ", subject to section 1102(a) of this Act," immediately before the words "issue an appropriate order".

MOTION OFFERED BY MR. JOHNSON OF CALIFORNIA

Mr. JOHNSON of California. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. JOHNSON of California moves to strike out all after the enacting clause of the Senate bill, S. 1300, and to insert in lieu thereof the provisions of H.R. 5481, as passed by the House.

The motion was agreed to.

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

A similar House bill, H.R. 5481, was laid on the table.

APPOINTMENT OF CONFEREES ON S. 1300

Mr. JOHNSON of California. Mr. Speaker, I ask unanimous consent that the House insist on its amendments to the Senate bill, S. 1300, just passed, and request a conference with the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California? The Chair hears none, and appoints the following conferees: Messrs. JOHNSON of California, ROBERTS, ANDERSON of California, LEVITAS, YOUNG, HARSHA, and SNYDER.

AUTHORIZING AND DIRECTING CLERK TO MAKE A CORRECTION IN ENROLLMENT OF H.R. 4930, DEPARTMENT OF INTERIOR AND RELATED AGENCIES APPROPRIATIONS, 1980

Mr. YATES. Mr. Speaker, I ask unanimous consent for the immediate consideration of the concurrent resolution (H. Con. Res. 209) authorizing and directing the Clerk to make a correction in the enrollment of the bill (H.R. 4930) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1980, and for other purposes.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

Mr. THOMAS. Mr. Speaker, reserving the right to object, has this changed anything of substance?

Mr. YATES. Mr. Speaker, if the gentleman will yield, I was about to say that this resolution has been cleared with the

gentleman from Massachusetts (Mr. CONTE) who is the ranking member of the Committee on Appropriations, and has been cleared with other leaders in the House.

The purpose of the resolution is to correct an error in numbers which appeared in the conference report of the Department of Interior and related agencies bill which the House considered on Friday. There is no change in substance. It is only with respect to a change in the figures themselves.

Mr. THOMAS. What about the ranking minority member of the subcommittee, the gentleman from Pennsylvania (Mr. MCDADE)?

Mr. YATES. If the gentleman will yield further, the gentleman from Pennsylvania (Mr. MCDADE) has no objection to it because it only amounted to a correction of a typographical error.

Mr. THOMAS. He has indicated he has no objection?

Mr. YATES. That is right.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 209

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of the bill (H.R. 4930) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1980, and for other purposes, the Clerk of the House of Representatives is authorized and directed to make the following correction:

In lieu of the figure "$401,242,000" inserted in lieu of Senate amendment numbered 67 on page 31, line 11, insert "$392,565,000".

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

SENSE OF CONGRESS EXPRESSION RESPECTING BALTIC STATES AND SOVIET CITIZENSHIP CLAIMS OVER CERTAIN U.S. CITIZENS

Mr. FITHIAN. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 200) expressing the sense of the Congress with respect to the Baltic States and with respect to Soviet claims of citizenship over certain United States citizens, as amended.

The Clerk read as follows:

H. CON. RES. 200

Expressing the sense of the Congress with respect to the Baltic States and with respect to Soviet claims of citizenship over certain United States citizens.

Whereas the United States since its inception has been committed to the principle of self-determination; and

Whereas the United States as a member of the United Nations has pledged to uphold the provisions of the United Nations Charter and to take joint and separate action to promote universal respect for, and observance of, human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion; and

Whereas the United Nations and the United States delegation to the United Nations have consistently upheld the right of self-determination of people of those countries in Asia and Africa that are, or have been, under foreign political rule;

Whereas the United States, as a signatory of the Final Act of the Conference on Security and Cooperation in Europe, endorsed Principle VIII concerning equal rights and self-determination of peoples; and

Whereas in 1940 the Soviet Union unilaterally and forcibly annexed the Baltic States (Lithuania, Latvia, and Estonia), which were sovereign members of the League of Nations; and

Whereas in 1954 the House of Representatives Select Committee to Investigate Communist Aggression concluded that the Baltic States "were forcibly occupied and illegally annexed by the Union of Soviet Socialist Republics" and that "the continued military and political occupations of Lithuania, Latvia, and Estonia by the Union of Soviet Socialist Republics is a cause of the dangerous world tensions which now beset mankind and therefore constitute a serious threat to the peace"; and

Whereas the desire of the citizens of the Baltic States for national independence remains strong despite efforts by the Soviet Union to destroy the Baltic peoples as distinct cultural, geographical, ethnic, and political entities through dispersions and deportations to Siberia, replacing them with ethnic Russians; and

Whereas the peoples of the Baltic States are entitled to equal rights and self determination as set forth in Principle VIII of the Helsinki Final Act and should be allowed to hold free elections conducted under the auspices of the United Nations after the withdrawal of all Soviet military forces and political, administrative, and police personnel from the Baltic States; and

Whereas the United States has consistently refused to recognize the unlawful Soviet occupation of the Baltic States, and continues to maintain diplomatic relations with representatives of the independent Republics of Lithuania, Latvia, and Estonia; and

Whereas in past years this policy has received strong support in the Congress; and

Whereas, in addition, the United States since its inception has been committed to the protection of its citizens, whether naturalized or native born; and

Whereas the Soviet Union recently promulgated a law designating as a Soviet citizen any person who was born in the Soviet Union, was naturalized as a Soviet citizen, or is the child of parents who were Soviet citizens at the time of the child's birth, irrespective of whether the child was born on Soviet territory; and

Whereas this law which went into effect on July 1, 1979, states that a person who is a Soviet citizen is not recognized as having the citizenship of a foreign state, and thus specifically does not recognize United States citizenship in such cases; and

Whereas this law applies to millions of Americans, including those who, under United States law, are native-born citizens of the United States; and

Whereas this Soviet law intimidates many United States citizens who might otherwise travel to the Soviet Union or come under Soviet authority or control: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That (a) it is the sense of the Congress that the President, in order to assure true and genuine peace in the Baltic region and in Europe in general, should instruct the United States delegation to the 1980 Madrid meeting of the Conference on Security and Cooperation in Europe to seek full implementation of Principle VIII of the Helsinki Final Act concerning equal rights and self-determination of peoples.

(b) It is further the sense of the Congress that the President should, through such channels as the International Communication Agency and other information agencies of the United States Government, do his utmost to bring the matter of the Baltic States to the attention of all nations by means of special radio programs and publications.

(c) It is further the sense of the Congress that the President should use his good offices to make every effort to gain the support and cooperation of other nations for the realization of the independence of the Baltic States.

SEC. 2. (a) The Congress views with deep concern the action on the part of the Soviet Union making citizenship claims on millions of Americans who were born in the United States or naturalized.

(b) It is the sense of the Congress that the President should warn the Soviet Union against taking any action under this new Soviet citizenship law which would be detrimental to the interests of the United States and its individual citizens, and that the Secretary of State should inform United States citizens planning to visit the Soviet Union of the implications of this law.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Indiana (Mr. FITHIAN) will be recognized for 20 minutes, and the gentleman from Illinois (Mr. DERWINSKI) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Indiana (Mr. FITHIAN).

Mr. FITHIAN. I yield myself such time as I may consume.

Mr. Speaker, the resolution before us rightly calls attention to one of the most outrageous land grabs in modern history—the illegal annexation of the Baltic States by the Soviet Union in 1940.

House Concurrent Resolution 200 reaffirms our country's commitment to the principle of self-determination and seeks to have the Soviet Union live up to its international obligations under various international accords, particularly the Helsinki Final Act. The resolution calls for the restoration of equal rights and self-determination to the Baltic peoples through free elections.

House Concurrent Resolution 200 calls upon the President to bring the matter of the Baltic States to the attention of all nations at meetings such as the 1980 Madrid Conference on Security and Cooperation in Europe, and to enlist their cooperation in the realization of independence of the Baltic States.

Mr. Speaker, I believe that the continuation of the American policy of nonrecognition remains an appropriate way of expressing our disapproval of the forcible Soviet incorporation of the three Baltic States. It is also a means to protest the harsh and brutal treatment of the Baltic peoples who have suffered greatly under Soviet rule. Soviet attempts to destroy their language, their religion, their customs, their culture, and their destinction as a people are outrageous and reprehensible. I strongly believe that once the United States be-

comes complacent or forgets about what occurred in the Baltic States we face the danger of seeing history repeat itself in other areas of the world.

House Concurrent Resolution 200 also expresses concern about the Soviet citizenship law which came into force on July 1 of this year. This law could apply to millions of people including many Americans by designating as a Soviet citizen any person who was born in the Soviet Union, was naturalized as a Soviet citizen, or is the child of parents who were Soviet citizens at the time of the child's birth, regardless of whether the child was born on Soviet territory. Americans traveling to Russia or areas under Russian control could suddenly discover that they are Soviet citizens under Soviet law. House Concurrent Resolution 200 therefore calls upon the President to warn the Soviet Union against taking any action under this new citizenship law which would be detrimental to the interests of the United States and its citizens. Finally House Concurrent Resolution 200 calls upon the Secretary of State to inform American travelers of the implications of this law, so that unsuspecting U.S. citizens are not victimized should they seek to visit the Soviet Union.

In closing Mr. Speaker, I would like to commend my esteemed colleagues on the Foreign Affairs Committee, and the ranking minority member of the Subcommittee on International Organizations, Mr. DERWINSKI, for his diligent work on this matter. Our subcommittee has held hearings on human rights and the Baltic States, and I value very much his work on behalf of the subcommittee.

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

Mr. Speaker, I would first like to indicate to the House that since the bill was reported and printed, the following Members have contacted me and indicated their support for the measure: Mr. ANDERSON of California, Mr. BURGENER, Mr. ERDAHL, Mr. RITTER, Mr. GILMAN, Mr. MOORHEAD, Mr. TRAXLER, and Mr. FRENZEL.

I have offered over the years a number of resolutions on the subject of illegal Soviet occupation of the Baltic States, this the most recent, now bearing the designation, House Concurrent Resolution 200.

The ethnic makeup of the Baltic peoples is very distinct from that of the Russians. Their culture, traditions, and religions are different from those of the Russians. By means of deportation and dispersions of the native populations of the Baltic States to Siberia and a massive colonization effort in which Russians replace the displaced native peoples, the Soviet Union threatens the Baltic peoples as culturally, geographically, and politically distinct and ethnically homogenous populations.

Both the United States and the Soviet Union signed the Final Act of the Conference on Security and Cooperation in Europe and endorsed principle VIII, concerning equal rights and self-determination of peoples, which states "all peoples always have the right, in full freedom, to determine, when and as they wish, their internal and external political status, without external interference, and to pursue as they wish their political, economic, social and cultural development * * *" and "that participating States * * * also recall the importance of the elimination of any form of violation of this principle."

The United States has refused to recognize the unlawful Soviet occupation of the Baltic States and has continued to maintain diplomatic relations with representatives of the independent Republics of Lithuania, Latvia, and Estonia. But beyond this, the resolution I am proposing today, asks the President to instruct the United States delegation to the 1980 Madrid meeting of the Conference on Security and Cooperation in Europe to seek full implementation of principle VIII of the Helsinki Final Act. Our goal is that the right of self-determination be returned to the peoples of Lithuania, Latvia, and Estonia through free elections conducted under the auspices of the United Nations.

Another point raised in the resolution is a new Soviet law designating as a Soviet citizen any person who was born in the Soviet Union, who was naturalized as a Soviet citizen, or who is the child of parents who were Soviet citizens at the time of the child's birth, irrespective of whether or not the child was born on Soviet territory. This new law, which went into effect on July 1, 1979, states that a person who is a Soviet citizen is not recognized as having the citizenship of a foreign state and thus specifically does not recognize U.S. citizenship in those cases. It applies to millions of Americans, including those who, under U.S. law, are native-born citizens of the United States. Many Americans, including those of Baltic heritage, are fearful of this new Soviet claim on their citizenship.

My resolution expresses deep concern over this Soviet action making citizenship claims on millions of Americans who were born in the United States or duly naturalized. I believe that the President should warn the Soviet Union against taking any action under this new Soviet citizenship law which would be detrimental to the interests of the United States and its individual citizens, and that the Secretary of State should inform U.S. citizens planning to visit the Soviet Union of the implications of this law.

As the gentleman from Indiana (Mr. FITHIAN) so appropriately described, there are two major points in this bill, Mr. Speaker. One deals with the continued policy of the United States that we not recognize the Soviet occupation of the Baltic States, Lithuania, Latvia, and Estonia.

With the cooperation of the gentleman from Florida (Mr. FASCELL) the resolution also calls for the U.S. delegation to the 1980 Madrid meeting on the Conference on Security and Cooperation in Europe, the Helsinki accord subsequent action to make this point to those delegates assembled.

The basic policy of the United States is to ask that the right of self-determination be returned to the peoples of the Baltic States.

The second point in the resolution deals with the new Soviet law which designates as Soviet citizens any person born in the Soviet Union naturalized as a Soviet citizen or who is a child of parents who are Soviet citizens at the time of the child's birth. Under this law, a natural born U.S. citizen could be claimed by the Soviets as one of their citizens.

I might point out that the first interesting test of this law may well come during the 1980 Olympics.

This resolution, as indicated, was supported unanimously in the subcommittee and in the full committee. I am pleased to have the support of the chairman of the full committee, the gentleman from Wisconsin (Mr. ZABLOCKI).

Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. ASHBROOK).

Mr. ASHBROOK. Mr. Speaker, I rise in enthusiastic support of this timely resolution. The United States should go on record against the tyrannical rule of the Kremlin over the free people of Estonia, Latvia, and Lithuania. Every day it seems we receive word of one more outrage against humanity that the thugs in the Kremlin try to get away with. The subjugation of the Baltic States and the current efforts to expand the definition of Soviet citizenship to destroy these autonomous countries' identity are just a few more reasons for Americans to realize the perverse and destructive nature of Soviet rule.

The invasion of the Baltic States was born from the bloodthirsty partnership of the two most evil forces ever unleashed on the world: communism and nazism. We fought a major world war to rid the world of Hitler and his degenerates, but we never finished the job. Today the far more destructive force of communism with its hateful doctrines is stronger than ever. The despicable pack of outlaws that made the pact with Hitler for world domination in 1939 are personified in the wolves who now inhabit the Kremlin. The same need to destroy people and nations holds sway over Soviet policy. The same disregard for freedom and human dignity is the policy of the day in the U.S.S.R. Many people in the United States do not realize this fact of life. President Carter and the State Department continue to close their eyes to the fact that the nation with which we trade with and have signed a SALT agreement with is the same nation that helped start World War II with Adolph Hilter and is the same nation that is today carrying on Hitler's goal of world domination with an efficiency and horror that was beyond that Nazi's wildest and sickest dreams.

The Congress can pass all the resolutions it wants to call needed attention to the plight of free people under the Soviet

oppressors, but we need to do far more. We need to stop creating a fantasy world where the Soviets who we chastise today are not Soviets we try to give most favored nation status to tomorrow. We cannot persist in separating the two situations. It is the same government, the same leaders.

Every time this Nation assists the Soviets, through SALT or through trade, we are in effect, condoning the actions we are critizing here today. We cannot go on doing this. If we are truly serious about helping those who live under the tyranny of the Soviet bosses we must back up resolutions like this one with some resolve to act. We did not sit back and watch Hitler swallow up Europe, we should not sit back and watch the Kremlin swallow up the world. Had we finished the job we set out to do in 1941 we would not have had to watch the agony of Hungary in 1957 or the Berlin wall, or Vietnam, or Cuba, or Czechoslovakia in 1968, or any of the other dozens of instance where Hitler's former allies have been on the march against freedom and humanity.

Today we have our backs against the wall. The Soviets have been able to capitalize on our lack of strength, on our President's appeasement, and on this Congress's acquiescence to bully their way into one free nation after another, and to push the United States around at will. They have done this either directly or through henchmen like Castro and Ho Chi Minh. It is time America woke up to these realities. We will have more Estonias, more Latvias, and more Lithuanias as long as we let the Soviets hold on to what they already dominate and let them expand further. The line must be drawn, held, and then pushed. Through trade sanctions, through diplomatic pressures, and just through moral courage we can set an example that could turn the tide on this putrid fungus called communism. This resolution is a start and I urge my colleagues to vote for it.

Mr. DERWINSKI. Mr. Speaker, I yield 5 minutes to the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Speaker, I rise in support of House Concurrent Resolution 200, expressing the sense of the Congress with respect to the Baltic States and with respect to Soviet claims of citizenship over certain U.S. citizens and commend the gentleman from Illinois, Mr. DERWINSKI, the ranking minority member of the Subcommittee on International Organizations, for his sponsorship and leadership in bringing this measure to the floor.

The United States has consistently maintained that the Soviet occupation of Estonia, Latvia, and Lithuania is illegal. This act of Russian imperialism stems from a Stalin-Hitler pact in 1939 which helped Hitler pave the way for his attacks on France and Great Britain and allowed Stalin to solidify his grip on Eastern Europe and condemn the Baltic States to Soviet domination.

House Concurrent Resolution 200 calls our attention to this continuing illegal Soviet occupation and the U.S. refusal to recognize its legitimacy. Furthermore, the resolution points out that the United States continues to recognize and maintains relationships with the diplomatic representatives of the independent republics of Lithuania, Latvia, and Estonia.

One of the major international agreements since the end of World War II has been the signing of the Helsinki accords. Known as the Final Act of the Conference on Security and Cooperation in Europe, this agreement which was signed by both the United States and the U.S.S.R., recognizes the right of self-determination of all peoples. House Concurrent Resolution 200 reaffirms principle VIII of that agreement which states in part that—

> All peoples always have the right, in full freedom, to determine, when and as they wish, their internal and external political status, without external interference, and to pursue as they wish their political, economic, social, and cultural development.

The next meeting of the Conference on Security and Cooperation in Europe will be held next year in Madrid, Spain. The resolution before us calls upon the President to instruct our delegates to that conference to raise the plight of the Baltic States and seek full implementation of principle VIII of the Helsinki Final Act. To this end, it is the desire of the Congress and the people of the United States that self-determination be returned to the peoples of Lithuania, Latvia, and Estonia.

A second major concern addressed in this resolution focuses attention on a new and far-reaching change in Soviet law regarding that nation's claims of citizenship. Under the new Soviet law which became effective on July 1, 1979, the Soviet Government will not recognize the foreign citizenship of any of its current or former subjects. The Soviet Government has declared that a Soviet citizen is anyone who was born in the Soviet Union, naturalized as a Soviet citizen, or who is the child of parents who were Soviet citizens at the time of the child's birth irregardless if that birth took place outside Soviet territory. The effects of this law apply to millions of Americans who have fled Russia to seek freedom in the West as well as those who are native-born citizens of the United States from Russian parents.

Such broad reaching claims of citizens that would include millions of Americans who have been naturalized or born in this country is a cause for alarm. With a history of harassment and disregard for the rights of the individual to freely immigrate, this new law can only be seen as a further attempt to control the free movement of peoples.

With the upcoming 1980 Olympics in Moscow, the potential for Soviet abuse and harassment is ever present. House Concurrent Resolution 200 expresses deep concern over Soviet citizenship claims on millions of Americans. Furthermore, it calls upon the President to warn the Soviet Union aginst any action under this new law which would be detrimental to the interests of the United States or its citizens.

As a long-time supporter of the principles of human rights and self-determination for the peoples of Lithuania, Latvia, and Estonia and as a cosponsor of House Concurrent Resolution 200, I urge my colleagues to join with me in strong support of this resolution.

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

Mr. GILMAN. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, I also want to rise in support of this resolution.

Mr. FITHIAN. Mr. Speaker, I yield such time as he may consume to the distinguished chairman of the Committee on Foreign Affairs, the gentleman from Wisconsin (Mr. ZABLOCKI).

Mr. ZABLOCKI. Mr. Speaker, I rise in support of House Concurrent Resolution 200 as amended, expressing the sense of Congress with respect to the Baltic States and with respect to Soviet claims of citizenship over certain U.S. citizens.

I want to commend the distinguished chairman of the Subcommittee on International Organizations, Mr. BONKER, the gentleman from Indiana, Mr. FITHIAN, and the sponsor of the resolution and ranking minority member of the subcommittee, Mr. DERWINSKI, for their efforts on behalf of this resolution.

The gentleman from Indiana and the gentleman from Illinois have ably described the purpose and contents of this resolution so I will not go into the details again. I do however, want to take this opportunity to note that, although both Adolph Hitler and Joseph Stalin are dead and have been repudiated by the entire world, including their own peoples, the impact of their famous so-called Ribbentrop-Molotov pact still lingers; Soviet armies continue to occupy the Baltic States without legal or moral justification. Not only does the Soviet Union continue to occupy the Baltic States but their recently promulgated law affecting the citizenship status of millions of Americans with prior links to the Soviet Union runs counter to the letter and spirit of the Final Act of the Commission on Security and Cooperation in Europe and to the principles of comity between nations.

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

Mr. FITHIAN. Mr. Speaker, I yield such time as he may consume to my colleague, the gentleman from Indiana (Mr. BENJAMIN).

Mr. BENJAMIN. Mr. Speaker, I rise in strong support of House Concurrent Resolution 200 which expresses the sense of Congress that the President instruct the U.S. delegation to the 1980 Madrid meeting of the Conference on Security and Cooperation in Europe to seek full implementation of principle VIII of the Helsinki Final Act concerning equal rights and self-determination of peoples.

The resolution further states that until the Baltic States become inde-

pendent, the President should, through such channels as the International Communication Agency and other U.S. Government information agencies, bring the matter of the Baltic States to the attention of all nations by means of special radio programs and publications.

I additionally support language in the resolution that rejects the Soviets Union claim of citizenship on millions of Americans born or naturalized in the United States.

As the Congress knows, the Baltic States are possessed of a long and noble history, as demonstrated in their long and proud struggle to overcome oppression.

They remain steadfast in their courage and refuse to submit their will to a Soviet dictatorship that verbalizes freedom, but practices callous control.

Let us not delude ourselves. There can be no peace in the Baltic States as long as the human spirit is violated. There can be no détente when a population so loyal to their heritage is persecuted and subjected to discriminatory governing.

To this end, I call upon the President to utilize all relevant national and international communication agencies to bring the sword of independence and freedom to nations of the world.

The House and each Member must oppose Soviet violation of human rights in the Baltic States by supporting House Concurrent Resolution 200, so our influence may be felt at the 1980 Conference on Security and Cooperation in Europe.

May all the Baltic people be honored today, and may they be granted encouragement from our actions here today, so that they may continue to pursue cherished freedom with a nourished optimism generated from our efforts in a free nation.

I congratulate my distinguished colleagues, Messrs. DERWINSKI of Illinois and FITHIAN of Indiana, for bringing this legislation to the floor. I am honored to join them in sponsorship and hope that our united efforts will provide another measurable step toward the freedom, independence, and self-determination of Lithuania, Latvia, and Estonia.

Mr. FITHIAN. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. ANDERSON).

Mr. ANDERSON of California. Mr. Speaker, I thank the gentleman for yielding.

As a coauthor of this measure, I rise in full support of it.

I want to express again my tremendous support for House Concurrent Resolution 200. My concern about the situation in Estonia, Latvia, and Lithuania is something that goes back a long way. I have, in the past, worked to help ease emigration policy in these states. My concern about the illegal occupation of the Baltic States by the Soviet Union continues. I want also to express my disgust for the recent Soviet claim of citizenship over any persons born in the Soviet Union or born of Soviet parents, regardless whether the child was born on Soviet territory or not. This claim could create problems for certain American citizens who may travel to the Moscow Olympics. I urge my colleagues to support House Concurrent Resolution 200, which would denounce the Soviet occupation of the Baltic States as well as the Soviet decision regarding citizenship.

● Mr. BIAGGI. Mr. Speaker, as one who has long been dedicated to upholding basic human rights and the fundamental principle of self-determination, I am proud to be a cosponsor and strong supporter of House Concurrent Resolution 200.

This measure expresses the sense of Congress that the President should: first, seek free elections in the Baltic States supervised by the United Nations; second, inform and gain the support of other nations in achieving independence for the Baltic States; and third, warn the Soviet Union against making citizenship claims on U.S. citizens.

Earlier this year, I joined a significant number of my colleagues in recognizing the 20th anniversary of Captive Nations Week—a time when we commemorate the millions of freedom-loving people in captive nations throughout the world. I stated:

> It is time for the United States to stop its rhetoric for the cause of freedom and instead we must take effective action against the trend of Soviet Russian imperialism.

Certainly, the passage of House Concurrent Resolution 200 is a major step in that direction.

The resolution calls on the President to instruct the U.S. delegation to the 1980 Madrid meeting of the Conference on Security and Cooperation in Europe to seek the right of self-determination for the people of Estonia, Latvia, and Lithuania through free elections and through the withdrawal of all Soviet personnel from those nations. To help realize these objectives, House Concurrent Resolution 200 also calls on the President to gain the support and cooperation of other nations.

Further, the resolution expresses the support of Congress for President Carter's statements warning the Soviet Union against making citizenship claims on U.S. citizens. The necessity for such a warning resulted from a Soviet law that went into effect on July 1, 1979. The law declares that U.S. citizens, whose parents were both born in a Soviet territory—or what may have since become a Soviet territory—are Soviet citizens.

This law could have a far reaching and serious effect. It would mean that a substantial number of Americans will be subject to Soviet discretion if they set foot on Soviet territory. Since the Soviet Union will be hosting the 1980 summer Olympics, this law takes on added significance. It poses a serious threat to Olympic participants and spectators, who are covered under the law. Persons who might otherwise attend the Olympics may decide that the new law poses too great a risk. To prevent such a situation from occurring, it is essential that we join President Carter in strongly opposing this prime example of Soviet imperialism.

Mr. Speaker, House Concurrent Resolution 200 is an effective and necessary step toward obtaining self-determination for the captive nations, and preventing the spread of Soviet influence. I urge my colleagues to join me in supporting its passage.●

● Mr. OBERSTAR. Mr. Speaker, Soviet occupation of the Baltic States and the recent Soviet citizenship law run counter to our most basic and cherished notions of equal rights and self-determination of peoples.

Congress must continue to maintain unwavering support for the independence of the Baltic States.

The Soviet citizenship law is a travesty. It would abrogate the rights of millions of Americans, including native born Americans. The United States can tolerate no harassment of our citizens under this new law. It is fundamental to our concept of citizenship that the citizen naturalized today be treated no differently than the descendant of the Pilgrims.

I urge an overwhelming vote of support for House Concurrent Resolution 200.●

Mr. DERWINSKI. Mr. Speaker, I have no further requests for time, but I was remiss in my earlier explanation of this measure to give proper credit to the distinguished staff director of the committee, Dr. Jack Brady, whose brilliance expedited the processing of the measure and whose skill was seen in the draftmanship of the measure.

Mr. Speaker, I reserve the balance of my time.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Indiana (Mr. FITHIAN) that the House suspend the rules and agree to the concurrent resolution (H. Con. Res. 200) as amended.

The question was taken.

Mr. BAUMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3, rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

□ 1350

GENERAL LEAVE

Mr. FITHIAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the concurrent resolution just considered.

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

There was no objection.

IDA NUDEL EMIGRATION TO ISRAEL

Mr. FASCELL. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 202) urging the Soviet Union to allow Ida

Nudel to emigrate to Israel, and for other purposes.

The Clerk read as follows:

H. CON. RES. 202

Whereas the Universal Declaration of Human Rights and the International Covenant on Civil and Political Rights guarantee to all people the right to emigrate; and

Whereas the Final Act of the Conference on Security and Cooperation in Europe commits signatory countries to "deal in a positive and humanitarian spirit" with the applications of persons wishing to emigrate to rejoin relatives; and

Whereas the Soviet Union signed the Final Act of the Conference on Security and Cooperation in Europe, is a party to the Universal Declaration of Human Rights, and has ratified the International Covenant on Civil and Political Rights; and

Wheras Ida Nudel first applied to emigrate from the Soviet Union to Israel in 1971 to rejoin her only living relatives; and

Whereas Ida Nudel has devoted her life to the plight of Jewish political prisoners throughout the Soviet Union; and

Whereas Ida Nudel has been convicted by the Soviet Government of "malicious hooliganism" for hanging a banner on her balcony which said, "KGB, give me my visa"; and

Whereas Ida Nudel was sentenced to four years of exile in Siberia after a trial in which no witnesses were allowed to testify in her defense; and

Whereas Ida Nudel's health has deteriorated to the point where it is unlikely that she can withstand another Siberian winter; and

Whereas the continuing harassment of political and religious activists and intellectuals in the Soviet Union and in some other countries in Eastern Europe is a source of great concern to the American people and the United States Congress: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that, in accordance with the Final Act of the Conference on Security and Cooperation in Europe, the Universal Declaration of Human Rights, and the International Covenant on Civil and Political Rights, the Union of Soviet Socialist Republics should release Ida Nudel from exile and allow her to emigrate to Israel so that she can be reunited with her sister and husband.

SEC. 2. The Congress urges the President, acting directly or through the Secretary of State or other appropriate executive branch officials—

(1) to continue to express at every suitable opportunity and in the strongest terms the opposition of the United States to the exile of Ida Nudel to Siberia; and

(2) to inform the Soviet Union that the United States, in evaluating its relations with other countries, will take into account the extent to which those countries honor their commitments under international law, particularly with respect to the protection of human rights.

SEC. 3. The Clerk of the House of Representatives shall transmit copies of this resolution to the Soviet Ambassador to the United States and to the Chairman of the Presidium of the Supreme Soviet of the Union of Soviet Socialist Republics.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Florida (Mr. FASCELL) will be recognized for 20 minutes, and the gentleman from New York (Mr. GILMAN) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Florida (Mr. FASCELL).

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

Mr. Speaker, I rise in support of House Concurrent Resolution 202, which urges the Soviet Union to allow Ida Nudel to emigrate to Israel, and for other purposes.

Ida Nudel is a special case and is totally symbolic of the kinds of difficulties that are going on in the Soviet Union. She is the only Jewish female to be exiled because she tried to emigrate to Israel, and has become, in many ways today, the symbol of countless individuals in the Soviet Union who are struggling to exercise their basic human rights.

Ida Nudel first applied to emigrate to Israel in 1971, at which time she was refused permission to do so, lost her job, was kept under surveillance, beaten, and kept in jail for 15-day periods at least five times.

She has actually become the guardian angel of prisoners of conscience, and as such has been given special attention by the Union of Councils of Soviet Jews, the National Conference on Soviet Jewry, and many other organizations. Undaunted by the harassments and persecutions, Ida Nudel provided badly needed support to other prisoners of conscience who were imprisoned for their attempts to emigrate. She wrote to them, visited them, provided them with food and medicine, and interceded on their behalf with prison and camp authorities.

She was arrested in 1978 and charged with "malicious hooliganism," convicted, and sentenced to 4 years in Siberian exile. Her crime was hanging a banner from her apartment window which said "KGB Give Me My Visa," and that was in desperation after 7 years of waiting to join her only living relatives.

She is living now in absolutely deplorable conditions in the Soviet Union and the word is, from those who have an opportunity to get the word out of the Soviet Union, that she is desperately ill and may not live through another hard Siberian winter.

That is the reason for this resolution which calls special attention to her case as symbolic of the plight of hundreds of thousands of people in the Soviet Union.

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

Mr. Speaker, I yield such time as he may consume to my distinguished colleague, the gentleman from Florida (Mr. STACK), who is the original sponsor of this concurrent resolution.

Mr. STACK. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, the subject of this resolution, Ida Nudel, first applied for a visa to emigrate from the Soviet Union to Israel in 1971. Since then she has repeatedly been denied a visa.

Over the years she has devoted her life to the well-being of others who wanted to emigrate and who were repressed by Soviet authorities. In fact, she became known as the guardian angel of those who dissented and suffered within the Soviet Union.

Finally, in 1978, Ida Nudel was arrested and charged with "malicious hooliganism." Her alleged crime was hanging a banner from her balcony which read "KGB, Give Me My Visa."

Her trial was a sham. She was allowed no witnesses to testify on her behalf. Without any semblance of due process, she was convicted and sentenced to exile in Siberia for a period of 4 years.

Now this woman who has done so much to help others is in need of help herself. Her health is fragile and will rapidly deteriorate in the harsh Siberian winter.

The resolution we are considering requests that the Soviet Union allow Ida Nudel to be reunited with her husband and sister in Israel—to allow her the right to live, because to continue to confine her to Siberia is indeed to sentence her to death.

Mr. Speaker, I ask my colleagues to join with me and the 127 cosponsors of this resolution in support of the resolution. By doing so, we will inform the Soviet Government that we in the Congress are concerned about a woman who is a symbol of human rights.

Mr. Speaker, I wish to commend the distinguished chairman of the Committee on Foreign Affairs and my colleague, the gentleman from Florida (Mr. FASCELL), for their great help with this resolution.

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

Mr. Speaker, I rise in support of House Concurrent Resolution 202, urging the Soviet Union to allow Ida Nudel to emigrate to Israel.

Ida Nudel, the celebrated "Angel of Prisoners of Conscience" languishes today in a Siberian prison camp for the crime of seeking to emigrate to Israel. The only woman dissident in exile in the Soviet Union, she has become a symbol of that nation's callous disregard for basic human rights.

In 1971 Ida Nudel first applied to emigrate to Israel and rejoin her only living relatives. From that time forward she devoted her life to the plight of other Jewish political prisoners throughout the Soviet Union who, like herself, have suffered so much for their beliefs. For 7 years Ida Nudel brought hope and renewed spirit to the many people who had simply vanished from friends and relatives. By collecting information about such cases, contacting families of prisoners and "adopting" the victims, she has earned the reputation of "Guardian Angel" of dissident prisoners.

On June 2, 1978, while protesting the incarceration of a fellow activist, she defiantly unfurled a banner from her window overlooking a Moscow street with the words "KGB Give Me My Visa." She was immediately arrested and accused of "malicious hooliganism." Three weeks later, after a mock trial, she was sentenced to 4 years of exile in Siberia. Today she remains in a Siberian labor camp, in low spirits and deteriorating health.

House Concurrent Resolution 202 calls attention to the plight of this brave woman and the continuing harassment of other political and religious activists and intellectuals in the Soviet Union. Furthermore, it recalls that the Soviets are signatories to the Helsinki accords, a party to the Universal Declaration of Human Rights, and have ratified the International Covenant on Civil and Political Rights, all of which "guarantee to all people the right to emigrate."

The resolution concluded that it is the sense of the Congress that in view of these facts "the U.S.S.R. should release Ida Nudel from exile and allow her to emigrate to Israel so that she can be reunited with her sister and husband." In addition, it urges the President to inform the Soviets that in evaluating our relations with other nations, we will take into account the extent that those countries "honor their commitments under international law, particularly with respect to the protection of human rights."

This resolution is a reminder to the Soviet Government of our Nation's high regard for human rights and that we do not conceive such fundamental rights to be, as the Soviet's leading jurist, Judge Smirnov, wrote, in his white paper, "a propaganda vehicle of the West."

As a cosponsor of House Concurrent Resolution 202, I urge all of my colleagues to join with me in support of this legislation. We must keep Ida Nudel's dream alive and denounce this callous Soviet disregard for basic human rights.

Mr. FASCELL. Mr. Speaker, I yield such time as he may consume to the distinguished chairman of the full committee, the gentleman from Wisconsin (Mr. ZABLOCKI).

Mr. ZABLOCKI. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of House Concurrent Resolution 202, urging the Soviet Union to allow Ida Nudel to emigrate to Israel and for other purposes.

At the outset, I wish to commend our colleague from Florida (Mr. STACK) for his sponsorship of this resolution and the gentleman from Florida (Mr. FASCELL) and the gentleman from New York (Mr. GILMAN) for their efforts in bringing the resolution before us today.

Unfortunately, the plight of Ida Nudel is all too typical of the treatment of people in the Soviet Union today. Indeed, it is appalling that a person can be sentenced to 4 years in exile in Siberia for committing the so-called crime of desiring to emigrate to Israel. Ida Nudel's situation is all the more incredible in light of the Soviet Union being a signatory to the Commission on Security and Cooperation in Europe and a party to the Universal Declaration of Human Rights.

As the gentleman from Florida has stated, it is unlikely that Ida Nudel can stand another winter in Siberia. I, therefore, join in the strong hope that this resolution will help persuade the Kremlin to free Ida Nudel and allow her to go to Israel.

Mr. Speaker, I urge the adoption of the resolution.

Mr. GILMAN. Mr. Speaker, I yield 5 minutes to the ranking minority member of the committee, the gentleman from Michigan (Mr. BROOMFIELD).

Mr. BROOMFIELD. Mr. Speaker, I support House Concurrent Resolution 202, urging the Soviet Union to allow Ida Nudel to emigrate to Israel.

One of the major achievements of the Helsinki Final Act was a pledge by all signatories to do everything possible to reunite families separated by political boundaries. Ida Nudel, the only woman dissident in exile in the Soviet Union is living proof of the callous disregard that that nation has for basic human rights and the terms of the Helsinki agreement.

Since 1971 Ida Nudel has sought to emigrate to Israel to rejoin her family. In her personal struggle for freedom, she has unselfishly devoted her life to the plight of other victims of Soviet repression. Her courageous struggle to bring hope and renewed spirit to other dissidents and their families has earned her the title of "the Angel of Prisoners of Conscience."

In June of last year, while protesting the imprisonment of a fellow activist and the Soviet's refusal to grant her visa, she was arrested and accused of "malicious hooliganism." For the crime of unfurling a banner demanding that the "KGB Give Me a Visa," she was sentenced to 4 years of internal exile at a Siberian labor camp.

Today she remains languishing in Siberia in poor spirits and deteriorating health. It is an unfitting end for a woman who has saved so many prisoners before her that she now finds herself alone and mistreated.

House Concurrent Resolution 202 calls attention to the Soviet Union's failure to abide by the Helsinki accords, the Universal Declaration of Human Rights, and the International Covenant on Civil and Political Rights which "guarantee to all people the right to emigrate." In addition, it draws attention to the brave contributions and personal plight of Ida Nudel.

Because of the "continuing harassment of political and religious activists and intellectuals in the Soviet Union and in some other countries in Eastern Europe," this legislation states that it is the sense of Congress that Ida Nudel should be released from exile and allowed to emigrate to Israel. Furthermore, it urges the President to inform the Soviets that our relations with other countries will be based in part on the extent to which those nations honor their commitments under international law with respect to the protection of human rights.

Ida Nudel has become a symbol of repression that exists in Russia today. We must not forget this brave woman and the many thousands of others she represents. I urge all of my colleagues to join with me in support of Ida Nudel and demonstrate that support with the passage of House Concurrent Resolution 202.

● Mr. CAVANAUGH. Mr. Speaker, I rise in support of House Concurrent Resolution 202 which expresses the sense of the Congress, that based on the Helsinki agreement and other international declarations on human and political rights, the Soviet Union should release Ida Nudel from exile and allow her to emigrate to Israel.

Ida Nudel is a "refusenik" who was sentenced on June 21, 1978 by the Soviet authorities to 4 years of internal exile for "malicious hooliganism." Her real crime, however, is both her activism on behalf of Soviet Jewry and her desire to emigrate to Israel. She first applied for an exit visa in 1971, which has been continuously denied by the Soviet Government. Mr. Speaker, I first learned of the tragic case of Ida Nudel from Mrs. Shirley Goldstein of the Omaha Committee for Soviet Jewry. This committee is a member of the Union of Councils for Soviet Jewry and has been very active on behalf of Miss Nudel and other Soviet "refuseniks."

Mrs. Goldstein has met in Moscow on two different occasions with Miss Nudel and, in fact, it was from Berlitz tapes brought into Russia by Mrs. Goldstein that Ida Nudel learned to speak English. Mrs. Goldstein has told me on many occasions of both the suffering of Ida Nudel and of her compassion and hard work on behalf of fellow "refuseniks."

Before her exile, Ida had been known as the "Guardian Angel" of the Jewish prisoners of conscience in the Soviet Union. It was always Ida Nudel who somehow got parcels, messages and medicines to the POC's keeping alive in them hope and the knowledge that someone remembered them and cared. She traveled to visit them in every prison and labor camp.

Since February 1977 I have written many letters to Miss Nudel informing her of the concern which many of us in the United States have for her well being. In these letters, I have praised her courageous work and the inspiration which she has provided for her fellow citizens.

Now she has become one of the many "prisoners of conscience" who are in desperate need of the medicines and hope for the future which she once provided. It is reported that Ida Nudel has a heart condition and her health is deteriorating. It is, therefore, very unlikely that she can survive another Siberian winter.

Mr. Speaker, I urge my colleagues to vote on behalf of this resolution which urges the President to express at every opportunity and in the strongest terms, U.S. opposition to Ida Nudel's exile and to inform the Soviets that the United States will consider the extent to which it and all other countries honor their commitments under international law to protect human rights.

This is one opportunity to let Ida Nudel and "refuseniks" know that we have not forgotten them and that we care, just as this brave lady did on so many occasions for her fellow citizens.●

● Mr. NOWAK. Mr. Speaker, I rise in

support of House Concurrent Resolution 202, a resolution urging the Soviet Union to allow Ida Nudel to emigrate to Israel.

Ms. Nudel is an activist on behalf of Soviet Jewish prisoners of conscience, who is presently imprisoned in the Soviet Union.

I am submitting the following brief biographical sketch, furnished by Ms. Nancy Schiller, chairman of the Soviet Task Force on Soviet Jewry in Buffalo, N.Y., and ask my colleagues to vote in favor of this resolution to permit Ida Nudel to emigrate to Israel so that she can be reunited with her sister and husband.

BIOGRAPHICAL SKETCH: IDA NUDEL, PRISONER OF CONSCIENCE

Born: April 27, 1931.
From: Moscow.
Occupation: Economist.
Arrested: June, 1978.
Tried: June, 1978.
Charges: "Malicious Hooliganism."
Sentence: 4 years internal exile (to June 1982).
Camp: In exile.
Address: Tomskaya Oblast, 636300 Selo Krivosheino, UL Sadovaya 26, RS SSR USSR.
Sister's Address: Elana Fridman, Nakhlat Yehuda, Rishon Lezion, Israel.

Known as the "Guardian Angel" for her activities on behalf of Soviet Jewish Prisoners of Conscience, Ida Nudel was charged and convicted in June, 1978 of "malicious hooliganism", and sentenced to four years internal exile, a fate she was knowledgeable of, all too well. Arrested on numerous occasions, Ida wrote shortly before her latest ordeal, "what haven't they done to me since I first applied to leave. I was placed in a prison punishment cell . . . there I was tortured with hunger and with difficult conditions. I was beaten and hounded like a wild beast during a hunt. Many times I have been seized on the street and thrown into dirty smelly cellars. They call detention cells . . ."

Ida learned her Zionism from her grandfather. A member of Hashomer Hatzair, he worked on a Jewish agricultural settlement in the Crimea in the hope of being permitted to leave for Palestine. Those farms disappeared with the rest of the pre-revolutionary Zionist movement as Stalin tightened his grip on the country. Eventually they were destroyed by the Nazi invasion. After Stalin's death in 1953, she began to gather information about Israel and sometimes tuned in to the "Voice of Israel." With the Six-Day War, the dramatic momentum of the Jewish emigration movement forced Ida to translate her thoughts into deeds. She applied to leave with her sister.

For Ida, the commitment became deeper and deeper and her work on behalf of other "Prisoners of Zion" has made her greatly loved and respected. David Chernoglaz, who served five years in a strict regime labor camp, said of her when he arrived in Israel: "The one person above all others who helped to keep up morale and who constantly helped with letters and parcels, the person rated by all to be a super-human angel, is Ida Nudel."

Such work in the face of considerable KGB harassment and intimidation takes its toll. Elana recently pointed out that when she last saw her sister in 1972, she was a strong young woman. Now she has heart trouble.

In October 1973 Ida discovered that she was being "treated" for alcoholism and not for her heart condition, as she was led to believe, when she accidentally saw her medical chart at the 89th Volgord District Clinic. Ida protested to the chief doctor; he confirmed that she was coming to the clinic because she was an alcoholic." He added that people had seen her drunk and, therefore, the treatment was warranted. Ida does not drink.

Thirty-five Moscow Jews protested to the Head of the KGB, Yuri Andropov, on Ida's behalf: ". . . the officials of the KGB are fabricating, with the assistance of the physicians of polyclinic no. 89, a false charge against Ida Nudel, calling her an alcoholic in order to carry out a lawless reprisal against her. Such an absurd accusation shows very clearly the aspiration of the KGB to present the Jews, who have been demanding permission to go to Israel for a long time, in an amoral and anti-social light." Attempts to discredit Ida continue with the latest threats by Soviet authorities.●

● Mr. HARRIS. Mr. Speaker, I am proud to be a cosponsor of House Concurrent Resolution 202, expressing the sense of the Congress that the Soviet Union should release Ida Nudel from exile and allow her to emigrate to Israel.

As I stated in a recent letter to Mrs. Carter and to Patricia M. Derian, the Assistant Secretary for Human Rights and Humanitarian Affairs, I am deeply concerned that adequate medical treatment is not being provided to this sick woman. There is just no question that Ida Nudel, the only Jewish woman Prisoner of Conscience, should be allowed to leave the Soviet Union immediately. I have been assured that Ida Nudel's case is raised with Soviet officials at every opportunity, but I want to stress at this time her urgent need for immediate and thorough medical attention along with my desire to see her released and permitted to emigrate. We need to make it perfectly clear to the Soviets that Ida Nudel's continued exile has aroused widespread sympathy and concern among the sponsors of this resolution and people around the world.

We will not forget Ida Nudel, whose only "crime" was to ask that a basic human right be respected, and we pray that she will be reunited with her relatives in Israel before she must endure a harsh winter.●

● Mr. BARNES. Mr. Speaker, Ida Nudel—the "Angel of Mercy" for other Prisoners of Conscience before her—displayed a banner, "KGB, Give Me My Visa," that earned this frail woman both banishment and world martyrdom.

Two months ago, I met with her sister, Elana Fridman, who showed me photographs taken before Ms. Nudel's Siberian exile and also 6 months afterward. These pictures revealed a tale of deprivation, deteriorating health, and human misery beyond words.

I commend my distinguished colleague, Mr. STACK, and the other 120 cosponsors of House Concurrent Resolution 202, which urges the Soviet Union to allow Ida Nudel to emigrate to Israel and for other purposes. May our statements today be as stirring and powerful that we may say to the Soviet Union, "Let Ida Nudel go." And may it be so.●

● Mr. RATCHFORD. Mr. Speaker, I rise in support of House Concurrent Resolution 202, which calls upon this body to urge the Soviet Union to allow Soviet refusenik Ida Nudel to emigrate to Israel.

The plight of Ida Nudel is but one more demonstration of the Soviet regime's utter contempt for human rights. Ida Nudel has been an active and vibrant force in the Aliyah movement in helping Jewish prisoners of conscience to emmigrate to their homeland of Israel. When she demonstrated her own desire to obtain an emigration visa, she was arrested by the Soviet KGB and was sentenced to 4 years in exile in Siberia. Subjected now to the cruelty of Siberian winters and severe living conditions, Ida Nudel—once a pillar to strength and an inspiration to others in the Aliyah movement—is in extremely poor health.

Despite international protests, the continued Soviet rejection of pleas to allow Ida Nudel to emigrate to Israel to spend her remaining years with her only living relatives smacks of the total disdain with which it regards its own signature on international covenants guaranteeing human rights. As a signatory to the Universal Declaration of Human Rights, and more recently the Final Act of the Conference on Security and Cooperation in Europe, signed at Helsinki in August of 1975, the Soviet Union joined 35 other nations in declaring that every citizen has certain basic rights including: The right to leave any country, including one's own, and return to that country; the right to be reunited with their families living in other countries; and the right to pursue their own cultural identity and practice their own religion. Though the overall rate of annual emigration from the Soviet Union remains at a record 50,000, the Soviets have done little to resolve hundreds of longstanding emigration cases and to release prominent dissidents jailed for publicly monitoring Soviet compliance under the Helsinki accords. Oftentimes, these Jewish prisoners of conscience are even denied their basic rights under the Soviet penal code, such as visitors rights.

Mr. Speaker, these cases demonstrate to the world the inability of the Soviet regime to tolerate any internal debate or dissent—a sure sign of its lack of confidence and weakness. This resolution offers the Congress of the United States an opportunity to state even further our total opposition to Soviet emigration policies, and to demonstrate our clear resolve in this important case of Ida Nudel. Let this be an example of our full support for Ida Nudel, and the many others like her, and an expression of the American people's belief that she and others are guilty of no other offense than seeking to exercise those very rights accorded them by the Soviet Government and the international covenants subscribed to by that government. Thank you, Mr. Speaker.●

● Mr. WAXMAN. Mr. Speaker, this House is about to express its overwhelming concern over the fate of Ida Nudel, the "Guardian Angel" of the refuseniks in the Soviet Union, by urging the Soviet Government to terminate her exile in Siberia and permit her to leave the country to join her husband and sister in Israel. Passage of this resolution is so

urgently needed if there is to be any hope to obtain Ida's freedom—indeed, to save her life.

Although the Soviets have persecuted so many who have simply expressed a desire to emigrate, Ida Nudel has been subjected to the most monstrous indignities. She first applied to emigrate in 1971. Although her exit visa for Israel was denied, her sister, Elana Friedman, was permitted to leave. From that moment began an ordeal which resulted in her arrest, conviction, and internal exile for the "crimes" of "vandalism and malicious hooliganism" in 1978.

Over the years of struggle, Ida Nudel become a symbol of courage to the Soviet refusenik movement. She gave aid and comfort to so many who confronted the Government's unyielding policies. To those who were imprisoned, she wrote letters of encouragement and hope—even to those whom she had not met. For those who needed medical attention, she arranged for doctors to treat them. At all times, she brought the plight of Soviet Jewry to the attention of journalists in Moscow, whose dispatches informed the world of the awful desperation of so many. And until her arrest, she met with visitors from other countries to plead personally on behalf of the cause which had become her life.

I visited Ida Nudel in Moscow in March 1978. It was a difficult moment for her and her friends and colleagues. Anatoly Shcharansky and Alexsandr Ginzburg had recently been arrested, and everyone knew that their trials, which would bring to a head the Soviet campaign to crush the dissident movement, would soon begin. Ida herself, for all her courage, seemed to know as well that she would not be permitted to stay "free" for long—that soon the authorities would move against her. Ida was convinced the Government would never grant her application for a visa—even though she had been waiting 7 long years.

On June 1, 1978, Ida and other women planned to demonstrate once again for their freedom. The KGB learned of their protest, and placed them under curfew. Ida was confined to her apartment; secret police gathered outside. Late in the day, to show everyone that her spirit had not been broken, she hung a banner out the window which read: "KGB: give me my visa to Israel."

Within a few days, she was arrested, and late in June was sentenced to 4 years in exile in Siberia.

Her existence in the village of Krovosheino is unspeakable: 5,000 miles from Moscow, 100 miles from the nearest railroad, it is a collection of hovels containing the most dangerous and violent criminals. Ida has been attacked and beaten several times. There is scarcely sufficient food, no running water, and only meager supplies. She sleeps with a crude weapon under her pillow.

In recent weeks, however, concern over her safety has been superseded by the prospect that she may not be able to physically withstand the coming Siberian winter. In an open letter to the Jerusalem Post, she pleads:

> Stop testing my endurance. Don't experiment with how much I can take. I feel that I am on the verge of a heart attack and I must be allowed to have a proper checkup in Moscow.

For Ida Nudel, the situation is desperate. Her very life is at stake.

It is difficult to understand what could possibly compel the Soviet Government to act in such a barbaric manner, to treat so cruelly such an innocent person, to perceive the "threat" Ida poses to Soviet society—especially since she only wishes to leave. But the irrationality of these acts hardly diminishes their inhumanity.

I am sincerely grateful to all my colleagues who worked so hard to bring this resolution to the floor.

Let the Soviet Union be on notice: We shall not, we can not, we refuse to be indifferent to the fate of this great woman, Ida Nudel. We demand with her that she be freed and permitted to fulfill her only desire in life—to join her family in Israel!

I urge the adoption of this resolution.

I am pleased to enclose, for the benefit of my colleagues, the following materials from the Jerusalem Post:

[From the Jerusalem Post, Oct. 9, 1979]

LETTER FROM SIBERIA TO THE JERUSALEM POST—IDA NUDEL'S ENDURANCE AT BREAKING POINT

(By Sarah Honig)

TEL AVIV.—"Stop testing my powers of endurance. Don't experiment with how much I can take. I feel that I am on the verge of a heart attack and I must be allowed to have a proper checkup in Moscow," Ida Nudel says to the Soviet authorities in an open letter addressed to the Jerusalem Post.

The letter reached aliya activists in Moscow. They read it over the telephone late Sunday night to Nudel's sister, Ilana Friedman of Holon. Friedman taped the telephone conversation, but as the quality of the line was extremely poor, most of the tape was transcribed and translated only yesterday.

The Moscow activities reportedly took Nudel's request for medical attention to the authorities, but their reply was that she is not ill.

Her sister recently received photos of her which sent her "into a panic. I have never seen my sister so thin and with such a haunted expression," Friedman told The Post yesterday.

Nudel is one of the Soviet Union's most prominent aliya activists and earned the reputation of the "Angel of Mercy" to the Prisoners of Zion for her relentless efforts on their behalf. She was sentenced to exile in Siberia last year for displaying a poster in her window demanding to be allowed to go to Israel. She still has four years of exile remaining.

Until recently she was housed in a barracks which she shared with 60 male ex-convicts considered too dangerous to be allowed to return to society.

Apparently due to the pressure of reports in the West about her ordeal, she has been moved to a remote hamlet nearby.

Nudel opens her letter with a few sentences in English addressed to The Jerusalem Post. She asks her "Dear Friends" on the paper to "serve as her pen" and to publish her open letter. She hoped that in this way she would be able to answer all those who had written to her and to whom she is unable to reply. She asks that her message be relayed to "Jews and non-Jew alike—to all those who took interest in my fight for freedom."

Friedman told *The Post* that her sister is aware of the articles printed about her through the years in *The Post* and that she may even have received some clippings.

This is the first letter of its kind to reach an Israeli newspaper.

Friedman said that last June a day was designated as "Ida Nudel Day" throughout the world. "So many letters were written to her then that some of the more innocuous ones got through," she said.

Ida Nudel's address is: 636300, Tomskayo Oblast, Poselok Krivosheino, USSR.

"I promise you all that I will stand fast in my position and not allow any one to change my mind. My fervent dreams are to live in my own nation and to contribute to it the little that I still give to my people," she wrote.

Nudel says she speaks not only on her own behalf but in the name of all Prisoners of Zion, "who for many long years have been fighting for our rights. Through our suffering we have been able to push the gates of the USSR just slightly ajar. Through the tiny opening we have made in the Iron Curtain, Jews manage to get out of the USSR.

"This in fact is our one solace through our ordeal. But the opening is small and vulnerable, and we implore all of you in the free world to keep a close watch on the opening and not to allow the gates to be slammed shut again."

Turning to her own medical condition, Nudel notes that she was hospitalized in the city of Tomsk in Siberia from August 1 to 16 and was then returned to the remote Siberian hamlet. She is still suffering from very severe pains.

"I don't know the exact cause of them. The doctors in Tomsk said that only a checkup in Moscow, where the proper facilities exist, could pinpoint the trouble. But I have not been allowed to have an examination there. I feel a heart attack coming on," says the 48-year-old economist, who has always been of frail health.

"I feel that I am now treading on the very border of my endurance. I appeal to the Soviet authorities to stop testing me to see at which point I will be able to take no more," she writes in desperation.

The activists, some of whom have made the long journey to Siberia to see Nudel, told her sister over the phone on Sunday that there is no way she could survive another harsh winter in her lonely place of exile. They point out that she now must carry water a long distance from her room, also her frail health does not permit her to lift more than three kilos.

She thus cannot possibly fetch all the water she needs. Moreover, she must carry heavy bundles of kindling wood and other provisions necessary for the long winter.

[From The Jerusalem Post, Oct. 9, 1979]

THE KREMLIN'S SHAME

The case of Ida Nudel, now serving a four-year sentence of exile in Siberia, affects not only her own interests and those of her family and countrymen. It affects the credentials of the world's leading communist power, the Soviet Union.

There can be different opinions about the merits of the socialist system as against capitalist or mixed economies. There cannot be two opinions about the right of a private citizen to be treated as a free and independent human being.

Had Ida Nudel committed theft, or injured another person, or committed black market operations, or spied for a foreign power, she would deserve punishment. But all she did was demand—out loud—to do what in other countries everybody can do freely and without permission: buy a train ticket in order to go and live abroad.

Is it conceivable in any civilised country that a middle-aged woman should be imprisoned repeatedly and then condemned to a terrible exile (and of course denied the right to buy that ticket)—because of the perfectly harmless things she did during what she describes as "the seven most beautiful years of my life?"

The prestige of the Soviet Union is at stake. It is ugly, first of all, that a person can be punished as a common criminal simply for wanting to go and live in the country he considers to be his own. That arbitrary ban does not and could not exist in Western Europe or the United States. The question should be addressed to Soviet policy-makers: how is it that citizens are free to move out of these reactionary, slave-economy countries, and not allowed to move out of the Marxist-Leninist paradise?

There has been a respectable, if measured, outflow of Jews from the USSR in recent years, marking a drastic change from the Stalin regime. This concession could have earned Brezhnev's government universal respect. But the scenario is spoilt by these small acts of gratuitous oppression, which cause suffering to no purpose and gain no benefit whatever to the Soviet Union.●

● Mr. DRINAN. Mr. Speaker, I ask my colleagues to support House Concurrent Resolution 202, urging the Soviet Union to allow Ida Nudel to emigrate to Israel. As one of the brave and outspoken advocates of free Jewish emigration and the rights of prisoners of conscience, Ida Nudel is deeply respected by her peers for her devotion and conviction to the principles she sought to uphold. Nudel is an economist who applied to emigrate to Israel 8 years ago, citing the extreme anti-Semitism which she felt at her job and among the Soviet citizenry and press. Over the years, Ida Nudel risked her safety and health to secure better conditions or liberation for these prisoners.

I conversed at some length with this gentle person when I was in Moscow in August 1975. She left in me that impression of heroism and saintliness which has earned her the title of the "guardian angel" of the refusniks.

On June 1, 1978, having discovered that she was being kept under house arrest, Ida Nudel placed on her balcony a sign reading, "KGB, Give Me My Visa." Soon thereafter she was pelted with stones and harassed by a crowd shouting anti-Semitic slogans. The next day, Nudel was charged with malicious hooliganism and within 3 weeks she was convicted on that charge. She is now serving a sentence of 4 years in exile.

Even judged within the strict confines of the Soviet Criminal Code, Ida Nudel is not guilty of malicious hooliganism. She is being punished for her desire to emigrate to her spiritual homeland of Israel and for her valiant efforts on behalf of other Soviet Jews who have been oppressed. The punitive and illegal actions taken by Soviet authorities against Ida Nudel represent an obvious and serious violation by the Soviet Union of the human rights pledges it swore to uphold in signing the Helsinki accords.

Today, Ida Nudel's health is reported to have deteriorated seriously, and it is uncertain whether she will be able to survive another harsh winter in exile. The urgency for this body to take action is quite evident. Ida Nudel's life is now in grave danger.

House Concurrent Resolution 202 is a timely, well-worded message that must be delivered to the Soviet authorities without delay. The commitment of this body and of the American people to the most fundamental tenants of human justice demands that our opposition to the exile of Ida Nudel to Siberia be recorded, and that appropriate steps be taken to insure her proper medical treatment. Ultimately, we ask for an end to this malady of justice so that Ida Nudel may travel to Israel where her family awaits her arrival.

Mr. Speaker, I hope my colleagues will join together in an overwhelming vote of support for House Concurrent Resolution 202.●

● Mr. LENT. Mr. Speaker, I rise in support of House Concurrent Resolution 202, the Ida Nudel emigration to Israel bill. In the strongest possible terms, I urge every one of my colleagues present today to join in this new demand to the Soviet rulers who are keeping this courageous woman in exile in the bleak Siberian wastelands.

This united appeal from the Congress of the United States is urgently needed, according to information I received in a recent meeting with Ida Nudel's sister, Elana Fridman, after I adopted Ida Nudel as my Fourth Congressional District's Prisoner of Conscience.

With typical Soviet cruelty, Elana had been granted permission to emigrate to Israel nearly 8 years ago, but the Soviets refused to allow Ida Nudel that freedom—in total violation of the human rights provision of the 1975 Helsinki accords.

Last year, the Soviets sentenced Ida Nudel to 4 years in exile in Siberia for displaying a banner from her Moscow apartment which demanded: "KBG, give me my visa."

Elana told me that Ida's health had deteriorated alarmingly in the months of exile. "Every day may be Ida's last," Elana warned me. "We are desperate, because she cannot survive another Siberian winter." The temperature plunges to 60 below zero during the winter months, and living conditions are primitive in the settlement where Ida is held in exile.

Despite her ill health and terrible living conditions, Ida Nudel's indomitable courage is unbroken. In her latest message to the outside world, smuggled from her bleak exile, she made an eloquent plea for help from us.

Ida Nudel said:

No matter how I am tormented, no matter how weak I am, how lonely or senseless my present life, I do not regret or renounce any of my actions. But if our suffering will not force every one of you to rush to help us, then it is in vain. We believe our suffering is not for nothing, and this belief saves us from despair. I believe that some day I will walk up the steps of an El Al aircraft, and my suffering and my tears will remain in my memory only, and my heart will be full of triumph. God grant that it will happen soon.

Mr. Speaker, we in the House of Representatives can come to the assistance of Ida Nudel by supporting House Concurrent Resolution 202.

Join us in helping win freedom for Ida Nudel.●

● Ms. FERRARO. Mr. Speaker, I rise in strong support of House Concurrent Resolution 202, and urge my colleagues to join me in that support. To underscore the desperation of this situation, I would like to quote a passage which was reprinted from Ida Nudel's diary.

I do not know when it was that I awoke. There was a light from an electric bulb and a large window covered by a grating. There is no daylight. It seems to be a deep cellar. My back hurts from lying on the bare boards. My arms hurt from the blows they received. I have no blanket and my coat is too short to cover me entirely. I try to move it by stages to warm my legs and then my back. It seems as if it must be day, but I have been given neither a drop of water nor a crumb of bread.

Mr. Speaker, as a woman only several years younger than Ida Nudel, I can empathize with the discomfort and humility she has been forced to experience. Exiled in Siberia, she has been forced to live with criminals convicted of crimes far more heinous than any alleged to have been committed by Ms. Nudel. No care is provided for her failing health, and she is barred from communicating with her family.

I am fortunate enough to live in a country which would not refuse my visa, or stop me from traveling to another nation. I have not experienced such discomfort and been forced to live in such inhumane conditions. I have the luxury of living in a country which respects my human rights. But, human rights should not be limited to certain nations. They should not be delineated by national boundaries. Human rights are universal, and should be universally recognized.

Ida Nudel is a symbol. She has, in her constant fight for her visa, become the personification of the hope and determination of the Soviet Jews. She has been a persistent voice of the dissidents, refusing to be intimidated by harrassment or torture. One and a half years in Siberia has still not broken Ms. Nudel's spirit. Bits and pieces of correspondence and news tell us that she is still fighting, and encouraging others to fight—for themselves, for her, and for the freedom which they are sacrificing now, so that they may experience it later.

This country has attempted, on many occasions to convince the Soviets to recognize the basic human rights of the dissidents. Often, our pleas have been ignored. This refusal flies in the face of the Helsinki agreements and the United States work toward the international recognition of human rights.

Mr. Speaker, I encourage my colleagues to support this resolution. I also call upon them to continue doing all they can to help Ida Nudel and others like her. Our country was built on the

principles of freedom and justice, and our duty as the representatives of this Nation is to provide and protect these liberties.

Just as Ida Nudel is a symbol, let us make the adoption of this resolution a symbol, as well. Adopting this sense of Congress resolution expressing our commitment to Ida Nudel would be an important symbolic gesture. It would serve as a signal that this body, and the American people are willing to support the cause of Ida Nudel until she is, once again, a free woman.●

● Mr. OBERSTAR. Mr. Speaker, Ida Nudel is a symbol, worldwide, of the fight against Soviet denial of human rights to its citizens. Ida Nudel's crime is that she wanted to leave the Soviet Union to live with relatives in Israel.

Exile in Siberia has become an eventual death sentence for this courageous fighter for human rights. Soviet treatment of Ida Nudel mocks the Soviet's nominal compliance with the Helsinki agreement.

I was proud to cosponsor this resolution. I urge a resounding vote from this House.●

● Mr. KELLY. Mr. Speaker, today we are considering House Concurrent Resolution 202 on Ida Nudel's emigration to Israel. The resolution, based on the provisions of the Helsinki Final Act, calls upon the President, "acting directly or through the Secretary of State or other appropriate executive branch officials to continue to express at every suitable opportunity and in the strongest terms, the opposition of the United States to the exile of Ida Nudel to Siberia."

I am in strong support of this resolution and further commend the Congressional Wives for Soviet Jewry, of which my wife, Judy, is a member, on their efforts to secure the release of Ida Nudel.

Ida Nudel is presently the only female prisoner of Zion. Her ostensible crime was to hang a banner outside her Moscow flat which read: "KGB Give Me My Visa To Israel." On June 21, 1978 she was arrested for vandalism and malicious hooliganism. But during Ida's trial she cried out that she was being tried not for hanging a banner, but for helping prisoners.

Recently a group of former Soviet refuseniks and prisoners of Zion gathered from all over Israel to tell the story of Ida Nudel, because, as one of them explained, "there is no woman on earth we value more. We owe her our lives."

Yakov Suslensky, after 7 years in a strict regime labor camp, said of Ida:

She gave moral and material help to me and my family, as well as to many of my friends—She gave us confidence in the victory of our cause and this helped to bear it all, to pull through.

Ida did not spare her own health and time while trying to help us. Having found out that some of us were sick (and I was sick a lot) she insisted on our receiving immediate treatment and wrote to various officials."

Arier Hanoch had never met Ida but in 1973 he began receiving her letters, giving him news of home, of his friends, of Israel.

She found all sorts of devices to help us, sending fancy postcards we could sell, pictures of Soviet movie stars we could exchange for rations.

When, after five years, I was moved to a forced-labour camp, I had a serious disorder. For more than a year, I had no medical help. Ida began to pester the Ministry of Health. The top officials don't like complaints, and pressure works on them. Finally, I was taken to a doctor and given a more suitable diet.

In 1971 Ida and her sister, Elena, applied for visas to emigrate to Israel. Elena received her visa in 1972. Ida's was refused. Elena didn't want to leave her sister but Ida convinced her that if she did not leave she would lose her chance.

Mr. Speaker, there are many stories of people Ida has helped and today we have an occasion to join others around the world in support of the release of a woman who has given so much. My wife once wrote:

Because of my concerns and freedoms I am given the opportunity to devote my time and energy toward helping Ida, and others, enjoy, and in some cases experience for the first time, the same kind of freedom we as Americans have too often taken for granted.

We all can help Ida by supporting this resolution and by sending letters and telegrams of protest to Ambassador Anatoly Dobrynin at the Soviet Embassy here in Washington, with copies to Secretary General Brezhnev, The Kremlin, Moscow, RSFSR, USSR. Also, we can let Ida know that she has friends in America by writing to help raise her morale.

Ida Nudel, Do Vostrebovaniya, Selo Krivosheino, Krivosheinsky Rayon, Tomskaya Oblast, RSFSR USSR 636300.

How much is your freedom worth to you?

STATEMENT OF IDA NUDEL IN EXILE

I'm only a woman, it is so agonizingly difficult to live in a Godforsaken village, with out relatives, without friends, without almost all conveniences, while here are almost no food in the store, while militia do their best to cut off my good relations with neighbors.

On the other side, as a person I'm fortunate that I myself add not only one page to the history of the Jewish resistance in Russia. I'm fortunate that my efforts permitted thousands of Jews to leave this barbarous country. I'm fortunate that by my advice and by my act I was lucky to diminish the suffering of many Jews and helped them to avoid a conflict with the punitive system of KGB. I'm fortunate that during all these years I was helping prisoners of Zion, those who were chosen to cut the way to Israel, by the price of their own freedom. I was helping them to keep spirit and survive in the hell which you cannot imagine. I do know that I must pay for this fortune (of being able to help) in full. No matter how I am tormented by the chastisers or after I cried out of weakness, loneliness and seemingly senselessness of my present life, I do not regret and I do not renounce any of my actions.

But if our suffering will not force every one of you to rush to help us, then it is in vain.

We are idealists. We do believe that our suffering is not for nothing. And this belief saves us from despair at the most difficult moments of our imprisonment. I so want to believe in my lucky stars. I so want to believe that some time I will rise up the board of an El Al aircraft and my suffering and tears will remain in my memory only and my heart will be full of triumph and victory.

And God grant—it will happen soon.●

● Mr. GREEN. Mr. Speaker, I rise in support of this urgent legislation that directly communicates to the Soviet Union the concern of the U.S. Congress over the health of Ida Nudel. This legislation also directs the President to take similar action. I have been quite concerned over the fate of this courageous woman, and today I received a letter from Ida Nudel's sister concerning Ida's deteriorating physical condition. Her bad health is, unfortunately, not a new development, and there is much evidence to believe that she cannot survive another harsh Siberian winter where she is being forced to stay through internal exile.

We are all aware of the Soviet attitude with respect to human rights, but we cannot remain silent. We are all aware of the treatment of Ida Nudel and all Soviet Jews, but we must continue to pressure the Soviet Government to abide by the Helsinki declaration.

I wrote Boris Petrovsky, Soviet Minister of Health, in May and Ambassador Anatoly Dobrynin in September about Ida Nudel's health, but my pleas have gone unanswered. Passing this legislation will send a message to Moscow that will be harder to ignore and may bring an end to the abhorrent treatment of this most admirable woman.●

● Mr. LAFALCE. Mr. Speaker, thousands, if not tens of thousands, of Russian citizens have been illegally prevented from leaving their country in search of a new and freer home. They wait year after year, repeatedly submitting their petitions to the authorities in Moscow. After submission of their petitions, they usually suffer from social ostracism and employment discrimination, without being allowed to emigrate from the Soviet Union.

Among this unfortunate group of Soviet citizens, Ida Nudel stands out as a special case. Known as the "Guardian Angel" among Soviet dissidents, Ida Nudel has indefatigably worked to help her fellow Soviet Jewish dissidents. Despite substantial harassment and intimidation by the KGB, she refused to lessen or cease her efforts for Jewish prisoners of the state, whose only real crime was the very understandable desire to leave the Soviet Union.

In June 1978, the Soviet Government charged and convicted Ida Nudel of "malicious hooliganism." After being unfairly convicted of this conveniently defined crime, Ida Nudel was sentenced to 4 years of internal exile, which means transportation to Siberia. Her real crime was, of course, her 10-year-long attempt to emigrate to Israel and her constant and never-dying support for Jewish dissidents and Jews who wanted to emigrate to Israel.

The House will soon have the welcome chance to strongly register its concern for the fate of this "Guardian Angel," when it considers House Concurrent Resolution 202, which urges the Soviet Union to allow Ida Nudel to emigrate to Israel. I urge all of my colleagues to support this concurrent resolution, in order to help persuade the Soviet Union to grant Ida Nudel her most fervent wish.●

Mr. FASCELL. Mr. Speaker, I have no further requests for time.

Mr. GILMAN. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida (Mr. FASCELL) that the House suspend the rules and agree to the concurrent resolution (H. Con. Res. 202).

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the concurrent resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

□ 1400

FEDERAL RESERVE ACT AMENDMENTS

Mr. MITCHELL of Maryland. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5037) to amend the Federal Reserve Act respecting the positions of Chairman and Vice Chairman of the Federal Reserve Board, as amended.

The Clerk read as follows:

H.R. 5037

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the second paragraph of section 12 of the Federal Reserve Act (12 U.S.C. 242) is amended by striking out the third sentence and inserting in lieu thereof the following: "The President shall appoint, by and with the advice and consent of the Senate, one member of the Board to serve as Chairman. The term of such member as Chairman shall expire on January 31 of the first calendar year beginning after the calendar year during which the term of the President who appointed such member as chairman is scheduled to expire. In the event a Chairman does not complete his entire term as Chairman, his successor shall be appointed to complete the unexpired portion of such term as Chairman and shall serve as Chairman until January 31 of the first calendar year beginning after the calendar year during which the term of the President who appointed him as Chairman is scheduled to expire. The President also shall appoint, by and with the advice and consent of the Senate, one member of the Board to serve as Vice Chairman for a term of four years.".

(b) The second paragraph of section 10 of the Federal Reserve Act (12 U.S.C. 242) is amended by inserting the following before the sentence which prior to the amendment made by subsection (a) of this section was the fourth sentence of such paragraph: "In the event of the unavailability of the Chairman or a vacancy in the office of the Chairman, the Vice Chairman shall have the power to act as Chairman during such unavailability or, in the event of a vacancy, pending the appointment and qualification of such Chairman's successor. Upon the expiration of the term of the office of the Chairman or Vice Chairman, the Chairman or Vice Chairman, as the case may be, shall continue to serve in such capacity until his successor is appointed and has qualified.".

SEC. 2. The amendments made by the first section of this Act shall take effect on the date of the enactment of this Act, except that the amendment made by subsection (a) of the first section of this Act shall be applicable to any person who was Chairman of the Board of Governors of the Federal Reserve System immediately prior to such effective date only upon the expiration of the full four-year term as Chairman which such person was serving immediately prior to such effective date.

SEC. 3. The second sentence of the first paragraph of section 10 of the Federal Reserve Act (12 U.S.C. 241) is amended to read as follows: "In selecting the members of the Board, not more than one of whom shall be selected from any one Federal Reserve district (except that two members may represent the same district if one member is serving as Chairman or has served as Chairman), the President shall have due regard to a fair representation of the financial, agricultural, industrial, and commercial interests, and geographical divisions of the country.".

SEC. 4. The last sentence of the fourth paragraph of section 10 of the Federal Reserve Act (12 U.S.C. 244) is amended by striking out "six" and inserting in lieu thereof "seven".

SEC. 5. The seventh paragraph of section 10 of the Federal Reserve Act (12 U.S.C. 247) is amended by striking out ", who shall cause the same to be printed for the information of the Congress".

SEC. 6. Subsection (n) of section 11 of the Federal Reserve Act (12 U.S.C. 248(n)) is hereby repealed.

The SPEAKER pro tempore. Is a second demanded?

Mr. HANSEN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Maryland (Mr. MITCHELL) will be recognized for 20 minutes, and the gentleman from Idaho (Mr. HANSEN) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Maryland (Mr. MITCHELL).

Mr. MITCHELL of Maryland. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, everyday it is becoming more apparent that no one has more power to affect our economy's performance than the Chairman of the Federal Reserve Board. It is vital, therefore, that the law providing for appointment of the Chairman leave little or nothing to chance. This is the purpose of H.R. 5037. Under present law, the President appoints one of the Board's seven Governors to serve as its chairman for a 4-year term. Whoever is appointed can be reappointed for another 4-year term when his term as Chairman expires, provided his term as Governor has not expired. A Governor's term is 14 years. However, unlike the term of the President, the term of the Federal Reserve Board Chairman has no set beginning or end. It begins when a vacancy in the office of the Chairman is filled, and is scheduled to end 4 years later. There is potential for great mischief in this.

The chairmanship can become vacant by accident; for example, as a result of death or resignation. If it became open and was filled on March 3, 1984, it would reopen on March 3, 1988, March 3, 1992, and on and on until another accident reset the term to expire on another date in the 4-year Presidential cycle.

Sometimes accidents provide happy options. But we should not count on them to do so. It would be a mistake to schedule the 4-year term of the Chairman of the Federal Reserve Board to expire either early or late in the 4-year Presidential term. However, under present law, either could happen. Were the latter to happen, the appointment of the Chairman easily could become a Presidential election issue. Were the former to happen, it would invite risky abrupt changes in monetary policy.

In contrast, under H.R. 5037, the term of the Chairman always will end on January 31 of the year after the year during which the term of the President who makes the appointment is scheduled to expire. This is 1 year and 10 days after the next scheduled Presidential inauguration. There always will be a vacancy on the Board of Governors on that date because of the way current law schedules the expirations of the terms of the Board's seven Governors. As a result, 1 year after he is inaugurated, an elected President will be able to appoint the most qualified individual in the country to serve as Chairman of the Federal Reserve Board for the remaining 3 years of his term and the first year of the next Presidential term. Under current law, the President's choice could be unduly limited. If, by accident the Chairman's term expired in an odd-numbered year when there is no scheduled vacancy on the Board, and the President wanted to replace the Chairman, he could do so only by appointing one of the other Governors.

In the event that a Chairman resigns or dies before his term expires, the bill provides that a successor shall be appointed only for the unexpired portion of the term except that, if the unexpired portion is less than a year, the appointment would be for a full 4-year term plus the unexpired portion of the term.

The scheduling of the Chairman's term provided for by H.R. 5037 precludes the potentially mischievious possibility that now exists for a President to appoint a Federal Reserve Board Chairman to a term that does not expire until late in the next Presidential term. In this way, H.R. 5037 insulates the appointment of the Chairman from Presidential election year politics. Recall also that H.R. 5037 assures that, if a Chairman is appointed early in a President's term, he can serve as Chairman for a year after the next Presidential term begins. In this way the bill provides a newly appointed or reappointed Chairman with job security lasting past the term of the President who appoints him, thereby giving him a protected power base to resist any politically inspired pleas.

I also want to emphasize to my colleagues that the phasing of the terms of the Federal Reserve's Chairman and the President, which H.R. 5037 establishes, will provide the foundation for the

smooth functioning of monetary policy when the Presidency changes hands since the incumbent Chairman will continue to serve as Chairman until January 31 of the following year. At the same time, the legislation will promote essential coordination of monetary and fiscal policies because it guarantees each newly elected or reelected President the opportunity to appoint his own Federal Reserve Board Chairman, albeit with a year's lag following his inauguration.

Finally, H.R. 5037 permits the Vice Chairman of the Board to act as Chairman if the Chairman is unavailable or the chairmanship is vacant, and also permits the Chairman and Vice Chairman to continue to serve after their terms expire until their successors take office. Omission of these points from present law has on occasion left the Board without a chief executive officer and without any legal basis for an interim solution.

The bill was marked up and favorably reported by the subcommittee by a vote of six "ayes" to zero "nays" on July 24. The full committee markup took place on October 25. The committee voted to favorably report H.R. 5037 by a vote of 23 "ayes" to 2 "nays."

The committee has an amendment which includes amendments adopted in committee plus an amendment to repeal the authority of the Secretary of the Treasury under section 11(n) of the Federal Reserve Act to confiscate privately held gold. I know of no objection to this amendment among members of the committee, or in the Treasury and Federal Reserve.

Amendments adopted in committee are as follows:

First. An amendment that "grandfathers" the current Federal Reserve Board Chairman, Paul A. Volcker, for his current term, which expires on August 6, 1983. He will be permitted to serve the full term. However, if reappointed, his next term would expire on January 31, 1986. In this regard, when we first considered the legislation in subcommittee, we did not consider a grandfathering provision necessary because G. William Miller was still Chairman of the Federal Reserve Board. We did not find it necessary to protect him from having his term as Chairman shortened by the bill because it would have been shortened only 5 weeks. On my initiative, we amended the bill in committee so that Paul Volcker's term as Chairman would not be unfairly shortened.

Second. An amendment that modifies the requirement that each Federal Reserve Board Governor represent a different district by permitting two members to represent the same district if one of the two is serving or has served as Chairman.

Third. An amendment that eliminated the requirement that the Federal Reserve's annual report be printed as a congressional document.

Fourth. An amendment that changes an incorrect reference in the Federal Reserve Act from "six" to "seven" members of the Board.

Mr. Speaker, our legislation scheduling the term of the Federal Reserve Board Chairman to expire 1 year and 10 days after the appointing President's term is scheduled to expire was supported by the Federal Reserve Board under Chairman Miller, and now has the support of the Board's new Chairman, Paul Volcker. The administration also supports the legislation.

Nearly 70 percent of the experts whose opinions we solicited also were supportive. Academic economists in support include George L. Bach, Milton Friedman, John Kenneth Galbraith, Franco Modigliani, and James Tobin, plus Robert Solow and Robert Strotz who also serve as Chairmen of the Boards of Directors of the Federal Reserve Banks of Boston and Chicago, respectively. Business and bank economists in support include Walter Hoadley, Jerry Jordan, Henry Kaufman, Leif Olsen, Beryl Sprinkel, and Albert Wojnilower. Also in support were former Federal Reserve Board Governors and Reserve bank presidents Alfred Hayes, Robert C. Holland, J. L. Robertson, Allan Sproul, Frederick Deming, George Ellis, and Charles Scanlon.

H.R. 5037 is a reasonable and pragmatic solution to a longstanding and ticklish problem. I urge my colleagues to vote for it.

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

Mr. Speaker, I rise in support of H.R. 5037, and yield myself such time as I may consume.

There are several parts to the bill now before the House. The principal one is the first section which alters the timing of the term of the Federal Reserve Chairman. Presently, the term is always 4 years from the date of the oath of office, whenever that may be and without regard to whether the predecessor served out his full term or not. The bill would make the timing of the term more regular, providing for a fixed termination date and permitting interim appointments only to serve out the balance of that regular term.

After long and careful consideration, I have come to the conclusion that this is, on balance, a desirable change. I believe that if we were constructing the Federal Reserve Act from scratch, a regular, fixed term is what we would agree on, without argument. It is true that in the past several observers have claimed that this change would heighten the political connotations of the appointment. To my mind, the political connotations are already so large that the matter of timing can make little difference. Moreover, while there have been no serious troubles in the past, I can easily think of scenarios in which the present random timing could give difficulties. Such difficulties will always be present when there is a chance that a President can appoint someone to serve through most of the following administration. This bill would prevent that, and thus avoid the most excessively political situations that could occur with respect to this appointment. I think that is well worth taking care of.

In addition, I think the other provisions of the bill are desirable and, indeed, without controversy.

This bill incorporates a very important provision which I introduced at the beginning of this Congress as H.R. 423. It would permit the Chairman and Vice Chairman to continue serving in those capacities until their successors are sworn in. Presently, this provision is in the law with respect to service as a Member of the Board of Governors, but there is no comparable provision for service as Chairman or Vice Chairman. It was because of the silence of the law on this point that President Jimmy Carter was able to appoint Arthur Burns as Acting Chairman of the Federal Reserve after his own term had expired as Chairman, while he was still a Governor, and before William Miller's appointment had been confirmed.

The danger in that situation lay in the fact that an Acting Chairman would not be subject to confirmation. Thus, he serves at the pleasure of the President. One can easily imagine a situation in which a President would take advantage of this to have a Chairman serving at his pleasure, in effect, by appointing him as an Acting Chairman and delaying nomination of a permanent Chairman.

This is not a purely speculative danger. Jimmy Carter did make the appointment and thereby set a dangerous precedent. Passage of this bill would resolve that problem.

It was also at my original suggestion that the bill incorporated the provision that two members of the Board of Governors be permitted to represent the same district if one was serving or had served as Chairman. Some would say that this is desirable in that it gives more flexibility to the President in naming a Chairman. That may be so, but I am less concerned about giving the President flexibility than I am about avoiding nuisance suits which might paralyze the Fed's monetary policymaking. I am very mindful of the fact that the composition of the Federal Open Market Committee has been challenged in court on the grounds that some of its members were not appointed by the President. One such suit having been dismissed on lack of standing, another is now in process that is less likely to be thrown out on that ground. If the suit succeeds, it could have severe consequences for the ability of the Fed to conduct its necessary policies.

In just the same way, I think it possible in the future that a Chairman who takes unpopular but necessary actions might face a challenge on the wholly irrelevant grounds of what Federal Reserve district he is said to represent. Since the law is silent about what constitutes representation, such a challenge is possible no matter how silly the grounds.

By adopting the present bill, we will prevent such a nuisance suit with respect to a position that everyone agrees is national in significance. At the same time, this bill does not by any means do away with regional representation on the Board, since the modification can only occur with respect to the position of Chairman.

The bill today also has been read with an amendment which is the text of another of my bills, H.R. 1853. It would repeal section 11(n) of the Federal Re-

serve Act, which is the authority for the Secretary of the Treasury to seize privately owned gold. Many persons, including the administration, have taken the position that 11(n) was repealed by Public Law 93-110, which restored the right of gold ownership in the United States. Very briefly, I would just point out that most codifiers of Federal statutes apparently think differently, since the section still appears, and there is no notation referring to its repeal, implicit or otherwise. Secondly, we took testimony in subcommittee which pointed out that the real problem is not whether gold can be seized, but what compensation must be paid for it. Under section 11(n) it appears that seizure could result in confiscation, since there is no guide as to what must be paid for the seized gold, and the withdrawal statute, as it is called, prevents anyone from suing if they think compensation was inadequate. The last official price for gold was approximately $42 per ounce and the current market price is some 10 times that amount. Since there is now no official price, there is great room for controversy. Therefore, so long as no one wants this statute, I think we would be better off cleaning it out of the code and not leaving the possibility of mischief lying in harm's way.

Mr. Speaker, this bill has a number of good provisions, and none which would give anyone any concern. I therefore urge my colleagues to vote for the motion to suspend the rules and pass H.R. 5037.

Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. PAUL).

● Mr. PAUL. Mr. Speaker, I rise in opposition to the bill and the extraordinary procedure used to get it to the House floor.

Combined within one bill we now have two totally different and totally unrelated matters. Each of these matters were reported separately by the Domestic Monetary Policy Subcommittee, and they were separate bills until just a few minutes ago.

One bill, H.R. 1853, I enthusiastically support. The subcommittee and Members of Congress have received hundreds of letters in support of my bill, H.R. 2658, which is virtually identical to the bill that the subcommittee reported, H.R. 1853. I would also point out that that bill has the unanimous support of the Domestic Monetary Policy Subcommittee.

The other bill, however, that making changes in the term of the Chairman of the Federal Reserve Board, does not enjoy such unanimous support, and there are very good reasons for opposing it, as my colleague from Florida and I have attempted to point out in our dissenting views. When bills similar to H.R. 5037 were discussed and considered in previous Congresses, many people opposed changing the term of the Chairman of the Federal Reserve Board so as to make it conform more closely and regularly with that of the President. Opponents of this change have included the ranking minority member of the Banking Committee, who took the floor on May 10, 1976, to discuss H.R. 2934, and again on September 12, 1977, to discuss H.R. 8094, and Senators JOHN TOWER and WILLIAM PROXMIRE, chairman of the Senate Banking Committee. Other opponents of this change have included Armin Alchian, professor of economics at UCLA, the Chairmen of the Federal Reserve Banks at Richmond, San Francisco, Kansas City, and Dallas, and the former Chairman of the Federal Reserve Board, Arthur Burns. All these people agreed that the change would further politicize the Fed, and make monetary policy more subservient to the party that controls the White House rather than to the best interests—the longrun interest—of the Nation.

I am not suggesting that the Fed has been free of political influence up until now. It obviously has not, and it cannot be free as long as it exists. But this bill would make a bad situation worse by thoroughly politicizing a President's choice for Chairman of the Fed. Rather than putting politics more deeply in our national monetary system, we should be acting to separate money and politics altogether.

So I, for one, am faced with a moral dilemma—a dilemma that could easily be eliminated were these bills considered on the House floor as they have been in subcommittee: entirely separate. The dilemma is this, Shall I vote for suspension of the rules and passage of this combination bill which ties a thoroughly meritorious measure together with one of dubious value, or shall I oppose suspension of the rules and thereby risk defeating the worthwhile bill which enjoys the unanimous support of the subcommittee members? I do not believe I am the only Member who faces this dilemma, and I strongly object to the procedure that forces this dilemma upon us. Unfortunately, this method of legislation is more the rule than the exception.

I would like to include my dissenting view at this point in the RECORD:

DISSENTING VIEWS H.R. 5037

This bill as amended and reported by the Banning Committee would achieve a number of purposes:

1. Synchronization of the term of the Chairman of the Federal Reserve Board with the term of the President.

2. Permitting two members of the Federal Reserve Board to be residents of the same Reserve district.

3. Correction of a technical error in the Federal Reserve Act.

4. Repealing the present requirement that the annual report of the Federal Reserve be printed as a Congressional document.

5. Expansion of the duties of the Vice Chairman of the Board of Governors.

It is our opinion that the synchronization of the Chairman's term with that of the President in such a way that the term of the Chairman would expire one year after a newly elected President assumes office is a major step down the road toward the complete politicization of the Federal Reserve System. One proponent of the bill apparently agrees, for at the Committee markup he stated that "the legislation will promote essential coordination of monetary and fiscal policies because it guarantees each newly elected or reelected President opportunity to appoint his own Federal Reserve Board Chairman. . . ."

That being the case, it is difficult to see why the matter of Presidential candidates' preferences for Chairman would not become a permanent feature of future Presidential campaigns. This bill, if enacted, would significantly decrease the Federal Reserve's independence from the various and everchanging political pressures that sweep national politics. The insulation afforded by present law would be removed. Charged with maintaining a prudent, long-range management of the nation's monetary system, the Federal Reserve will become even more subservient to short-run political goals than it is already.

A complicating factor is the creation of new duties for the Vice Chairman of the Board. The bill would synchronize only the term of the Chairman with that of the President; the term of the Vice Chairman would remain as it is under present law, unrelated to the term of the President. Thus the terms of the Chairman and the Vice Chairman are not likely to run concurrently. The result will be that the President will be able to appoint an "heir apparent", as it were, while a Chairman appointed either by a previous President or by the same President during a different phase of the business cycle would be sitting as Chairman. Such an arrangement is likely to result in internecine policy struggles within the Board, with one faction led by the Chairman, and another by the Vice Chairman. The likelihood of such a struggle occurring is enhanced by the new duties of the Vice Chairman, who, "in the event of the unavailability of the chairman or a vacancy in the office of the chairman . . . shall have the power to act as chairman during such unavailability or, in the event of a vacancy, pending the appointment and qualification of such chairman's successor." The bill does not define "unavailability." Presumably it does not simply mean "absence," for that word is not used. It is difficult to understand exactly what the committee has in mind by that term, and its vagueness could lead to problems in the future.

We urge our colleagues to oppose this bill when it comes before the House. While the changes it would make in the law may appear minor to some, its ultimate impact may be extremely significant. By further politicizing the Fed, we could be hastening the day when political passion will seize the controls of the printing presses and this Nation will drown in a flood of paper currency and triple-digit inflation.

RICHARD KELLY.
RON PAUL.●

Mr. HANSEN. Mr. Speaker, I have no further requests for time.

Mr. MITCHELL of Maryland. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Maryland (Mr. MITCHELL) that the House suspend the rules and pass the bill, H.R. 5037, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to amend the Federal Reserve Act respecting the positions of chairman and vice chairman of the Federal Reserve Board, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MITCHELL of Maryland. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their re-

marks, and to include extraneous matter, on the bill, H.R. 5037, just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

□ 1410

PAY RESTRUCTURE OF UNIFORMED SERVICES HEALTH PROFESSIONALS

Mr. NICHOLS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5235) to amend chapter 5 of title 37, United States Code, to revise the special pay provisions for certain health professionals in the uniformed services.

The Clerk read as follows:

H.R. 5235

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Uniformed Services Health Professionals Special Pay Act of 1979".

SEC. 2. (a) Chapter 5 of title 37, United States Code, relating to special and incentive pays for members of the uniformed services, is amended by striking out sections 302, 302a, and 302b and inserting in lieu thereof the following:

"§ 302. Special pay: medical officers

"(a) (1) An officer who is an officer of the Medical Corps of the Army or the Navy, an officer of the Air Force designated as a medical officer, or a medical officer of the Public Health Service and who is on active duty under a call or order to active duty for a period of not less than one year is entitled to special pay in accordance with this subsection.

"(2) An officer described in paragraph (1) who is serving in a pay grade below pay grade O–7 is entitled to variable special pay at the following rates:

"(A) $1,200 per year, if the officer is undergoing medical internship training, as determined under regulations prescribed under section 302c(a) of this title.

"(B) $5,000 per year, if the officer has less than six years of creditable service under subsection (c) and is not undergoing medical internship training, as determined under regulations prescribed under section 302c(a) of this title.

"(C) $10,000 per year, if the officer has at least six but less than eight years of creditable service under subsection (c).

"(D) $9,500 per year, if the officer has at least eight but less than ten years of creditable service under subsection (c).

"(E) $9,000 per year, if the officer has at least ten but less than twelve years of creditable service under subsection (c).

"(F) $8,000 per year, if the officer has at least twelve but less than fourteen years of creditable service under subsection (c).

"(G) $7,000 per year, if the officer has at least fourteen but less than eighteen years of creditable service under subsection (c).

"(H) $6,000 per year, if the officer has at least eighteen but less than twenty-two years of creditable service under subsection (c).

"(I) $5,000 per year, if the officer has twenty-two or more years of creditable service under subsection (c).

"(3) An officer described in paragraph (1) who is serving in a pay grade above pay grade O–6 is entitled to variable special pay at the rate of $1,000 per year.

"(4) An officer entitled to variable special pay under paragraph (2) or (3) is entitled to an additional payment of $10,000 for any twelve-month period during which the officer is not undergoing medical internship or initial residency training, as determined under regulations prescribed under section 302c(a) of this title.

"(5) An officer who is entitled to variable special pay under paragraph (2) or (3) who is board certified, as determined under regulations prescribed under section 302c(a) of this title, is entitled to additional special pay at the following rates:

"(A) $2,000 per year, if the officer has less than ten years of creditable service under subsection (c).

"(B) $2,500 per year, if the officer has at least ten but less than twelve years of creditable service under subsection (c).

"(C) $3,000 per year, if the officer has at least twelve but less than fourteen years of creditable service under subsection (c).

"(D) $4,000 per year, if the officer has at least fourteen but less than eighteen years of creditable service under subsection (c).

"(E) $5,000 per year, if the officer has eighteen or more years of creditable service under subsection (c).

"(b) An officer may not be paid special pay under paragraph (4) of subsection (a) for any twelve-month period unless the officer first executes a written agreement under which the officer agrees to remain on active duty for a period of not less than one year beginning on the date the officer accepts the award of such special pay.

"(c) For purposes of this section, creditable service of an officer of the Medical Corps of the Army or the Navy, an officer of the Air Force designated as a medical officer, or a medical officer of the Public Health Service is computed by adding—

"(1) all periods which the officer spent in medical internship or residency training during which the officer was not on active duty; and

"(2) all periods of active service in the Medical Corps of the Army or Navy, as an officer of the Air Force designated as a medical officer, or as a medical officer of the Public Health Service.

"§ 302a. Special pay: dental officers

"(a) (1) An officer who is an officer of the Dental Corps of the Army or the Navy, an officer of the Air Force designated as a dental officer, or a dental officer of the Public Health Service and who is on active duty under a call or order to active duty for a period of not less than one year is entitled to special pay in accordance with this subsection.

"(2) An officer described in paragraph (1) who is serving in a pay grade below pay grade O–7 is entitled to variable special pay at the following rates:

"(A) $1,200 per year, if the officer is undergoing dental internship training, as determined under regulations prescribed under section 302c(a) of this title.

"(B) $2,000 per year, if the officer has less than six years of creditable service under subsection (c) and is not undergoing dental internship training, as determined under regulations prescribed under section 302c(a) of this title.

"(C) $5,000 per year, if the officer has at least six but less than eight years of creditable service under subsection (c).

"(D) $7,000 per year, if the officer has at least eight but less than ten years of creditable service under subsection (c).

"(E) $9,000 per year, if the officer has at least ten but less than twelve years of creditable service under subsection (c).

"(F) $8,000 per year, if the officer has at least twelve but less than fourteen years of creditable service under subsection (c).

"(G) $7,000 per year, if the officer has at least fourteen but less than eighteen years of creditable service under subsection (c).

"(H) $5,000 per year, if the officer has eighteen or more years of creditable service under subsection (c).

"(3) An officer described in paragraph (1) who is serving in a pay grade above pay grade O–6 is entitled to variable special pay at the rate of $1,000 per year.

"(4) An officer entitled to variable incentive pay under paragraph (2) or (3) is entitled to an additional payment for any twelve-month period during which the officer is not undergoing dental internship or residency training, as determined under regulations prescribed under section 302c(a) of this title, to be paid at the following rates:

"(A) $6,000 per year, if the officer has at least three but less than twelve years of creditable service under subsection (c).

"(B) $8,000 per year, if the officer has at least twelve but less than eighteen years of creditable service under subsection (c).

"(C) $10,000 per year, if the officer has eighteen or more years of creditable service under subsection (c).

"(5) A commissioned officer who is entitled to variable special pay under paragraph (2) or (3) who is board qualified, as determined under regulations prescribed under section 302c(a) of this title, is entitled to additional special pay at the following rates:

"(A) $2,000 per year, if the officer has less than twelve years of creditable service under subsection (c).

"(B) $3,000 per year, if the officer has at least twelve but less than fourteen years of creditable service under subsection (c).

"(C) $4,000 per year, if the officer has fourteen or more years of creditable service under subsection (c).

"(b) An officer may not be paid special pay under paragraph (4) of subsection (a) for any twelve-month period unless the officer first executes a written agreement under which the officer agrees to remain on active duty for a period of not less than one year beginning on the date the officer accepts the award of such special pay.

"(c) For purposes of this section, creditable service of an officer of the Dental Corps of the Army or the Navy, an officer of the Air Force designated as a dental officer, or a dental officer of the Public Health Service is computed by adding—

"(1) all periods which the officer spent in dental internship or residency training during which the officer was not on active duty; and

"(2) all periods of active service in the Dental Corps of the Army or Navy, as an ofcer of the Air Force designated as a dental officer, or as a dental officer of the Public Health Service.

"§ 302b. Special pay: optometry officers

"(a) (1) An officer who is an officer of the Army, Navy, or Air Force designated as an optometry officer or who is an optometry officer of the Public Health Service and who is on active duty under a call or order to active duty for a period of not less than one year is entitled to variable special pay at the following rates:

"(A) $3,000 per year, if the officer has less than six years of creditable service under subsection (c).

"(B) $2,500 per year, if the officer has at least six but less than twelve years of creditable service under subsection (c).

"(C) $2,000 per year, if the officer has at least twelve but less than sixteen years of creditable service under subsection (c).

"(D) $1,000 per year, if the officer has sixteen or more years of creditable service under subsection (c).

"(2) An officer with at least three years of creditable service under subsection (c) who is entitled to variable special pay under paragraph (1) is entitled to an additional payment of $1,000 for any twelve-month period during which the officer is not undergoing optometry residency training, as determined under regulations prescribed under section 302c(a) of this title.

"(b) An officer may not be paid special pay under paragraph (2) of subsection (a) for any twelve-month period unless the officer first executes a written agreement under which the officer agrees to remain on active duty for a period of not less than one year beginning on the date the officer accepts the award of such special pay.

"(c) For purposes of this section, creditable service of an officer of the Army, Navy, or Air Force designated as an optometry officer or of an optometry officer of the Public Health Service is computed by adding—

"(1) all periods which the officer spent in optometry residency training during which the officer was not on active duty; and

"(2) all periods of active service as an optometry officer.

"§ 302c. Special pay: health professionals; general provisions

"(a) The Secretary of Defense, with respect to the Army, Navy, and Air Force, and the Secretary of Health, Education, and Welfare, with respect to the Public Health Service, shall prescribe regulations for the administration of sections 302, 302a, and 302b of this title. Such regulations shall include standards for determining—

"(1) whether an officer is undergoing medical internship or residency training for purposes of sections 302(a)(2)(A), 302(a)(2)(B), and 302(a)(4) of this title;

"(2) whether an officer is board certified for purposes of section 302(a)(5) of this title;

"(3) whether an officer is undergoing dental internship or residency training for purposes of section 302a(a)(2)(A), 302a(a)(2)(B), and 302a(a)(4) of this title;

"(4) whether an officer is board qualified in a dental specialty for purposes of section 302a(a)(5) of this title; and

"(5) whether an officer is undergoing optometry residency training for purposes of section 302b(a)(2) of this title.

"(b) Special pay authorized under sections 302, 302a, and 302b of this title is in addition to any other pay or allowance to which an officer is entitled. The amount of special pay to which an officer is entitled under any of such sections may not be included in computing the amount of any increase in pay authorized by any other provision of this title or in computing retired pay, severance pay, or readjustment pay.

"(c) Special pay payable to an officer under paragraphs (2), (3), and (5) of section 302(a), paragraphs (2), (3), and (5) of section 302a(a), and paragraph (1) of section 302b(a) of this title shall be paid monthly. Special pay payable to an officer under section 302(a)(4), section 302a(a)(4), and section 302b(a)(2) of this title shall be paid annually at the beginning of the twelve-month period for which the officer is entitled to such payment.

"(d) An officer who voluntarily terminates service on active duty before the end of the period for which a payment was made to such officer under section 302(a)(4), 302a(a)(4), or 302b(a)(2) of this title shall refund to the United States an amount which bears the same ratio to the amount paid to such officer as the unserved part of such period bears to the total period for which the payment was made.

"(e) The Secretary of Defense shall conduct a review every two years of the special pay for health professionals authorized by sections 302, 302a, 302b, 303, and 303a of this title. A report of the results of the first review shall be submitted to the Congress not later than September 30, 1982, and the results of each subsequent review shall be submitted to the Congress not later than September 30 each second year thereafter.".

(b) Section 303 of such title is amended by striking out subsection (c).

(c) Chapter 5 of such title is further amended by inserting after section 303 the following new section:

"§ 303a. Special pay: podiatry officers

"(a) An officer who is an officer of the Army, Navy, or Air Force designated as a podiatry officer or who is a podiatry officer of the Public Health Service and who is on active duty under a call or order to active duty for a period of not less than one year is entitled to special pay at the rate of $100 per month, if the officer has three or more years of creditable service under subsection (b).

"(b) For purposes of this section, creditable service of an officer of the Army, Navy, or Air Force designated as a podiatry officer or of a podiatry officer of the Public Health Service is computed by adding—

"(1) all periods which the officer spent in podiatry residency training during which the officer was not on active duty; and

"(2) all periods of active service as a podiatry officer.".

(d) Sections 311 and 313 of such title are repealed.

(e) Section 306(e) of such title, relating to exclusions from special pay for officers holding positions of unusual responsibility, is amended by striking out "302 or 303" and inserting in lieu thereof "302, 302a, 302b, 303, or 303a".

(f) The table of sections at the beginning of chapter 5 of such title is amended—

(1) by striking out the items relating to sections 302, 302a, and 302b and inserting in lieu thereof the following:

"302. Special pay: medical officers.

"302a. Special pay: dental officers.

"302b. Special pay: optometry officers.

"302c. Special pay: health professionals; general provisions.";

(2) by inserting after the item relating to section 303 the following:

"303a. Special pay: podiatry officers.";

and

(3) by striking out the items relating to sections 311 and 313.

SEC. 3. (a) The Secretary of Defense shall conduct a comprehensive evaluation of various alternatives for addressing the existing maldistribution of medical and dental specialties within the Armed Forces. Such evaluation may include a test of the effectiveness of paying an increment of special pay in addition to the special pay authorized by title 37, United States Code (as amended by this Act), to officers in special categories determined by the Secretary of Defense for the purposes of such test. Such evaluation shall focus on—

(1) the future requirements of each Armed Force for physicians and dentists, by specialty and by years of service; and

(2) the efficiency, effectiveness, and fairness of the various alternatives considered.

(b) The Secretary shall submit to the Congress—

(1) not later than six months after the date of the enactment of this Act, a formal plan for conducting the evaluation required by subsection (a);

(2) not later than eighteen months after the date of the enactment of this Act, an interim report on the progress of such evaluation; and

(3) not later than two years after the date of the enactment of this Act, a final report of such evaluation.

(c) To carry out the purposes of this section, there is authorized to be appropriated the sum of $3,000,000 for fiscal year 1981.

SEC. 4. Notwithstanding any provision of the amendments made by this Act, and in accordance with regulations to be prescribed by the Secretary of Defense, with respect to the Army, Navy, and Air Force, and the Secretary of Health, Education, and Welfare, with respect to the Public Health Service, any officer who are any time before the effective date of the amendments made by this Act was entitled to special pay under any of sections 302, 302a, 302b, 303, 311, or 313 of title 37, United States Code, and any officer who after such effective date would have become entitled to special pay under any of such sections (as in effect on the day before such effective date) had such sections continued in effect, shall be paid basic pay and special pay under sections 302, 302a, 302b, and 303 of such title (as in effect on and after the effective date of the amendments made by this Act) in a total amount not less than the total amount of the basic pay (as in effect on the day before such date) and special pay applicable (or which would have been applicable) to such officer under such sections 302, 302a, 302b, 303, 311, and 313 (as in effect on the day before such date and computed on the rates of basic pay as in effect on the day before such date).

SEC. 5. The amendments made by section 2 apply to special pay payable for periods beginning after September 30, 1979, or after the date of the enactment of this Act, whichever is later.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Alabama (Mr. NICHOLS) will be recognized for 20 minutes, and the gentleman from New York (Mr. MITCHELL) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Alabama (Mr. NICHOLS).

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

Mr. Speaker, the Committee on Armed Services has been engaged in a series of hearings since the beginning of this year, focusing on the subject of military health care delivery and, more particularly, on special pay for military health professionals. We have received a great deal of testimony, both from military and civilian leaders within the Department of Defense, and from physicians in the field.

Based on these detailed and lengthy deliberations, the committee has developed a bill (H.R. 5235) that would restructure the special pays afforded uniformed services physicians, dentists, optometrists and podiatrists.

It is very much a committee bill—it does not look particularly like the administration proposal, or any of the other bills the committee considered. It compares favorably with those bills, I believe, while at the same time specifically addressing the particular problem areas that exist today.

I would hasten to point out that it is not all things to all people, but it represents a significant step in the right direction. It is a tightly drawn recommendation and, to some extent, complex. The description I will provide offers only a very broad overview of, what I consider to be, the very strong rationale and a summary of the system recommended by the committee.

MILITARY PHYSICIANS

The basis for the recommendations of the committee for military physicians, in large part, relates to an assessment

of the required physician force by years of service versus the actual physician force by years of service projected to exist in the future.

By comparing the required force profile to the actual force profile, the committee was able to determine those points in a physician's military career where changes in the compensation system would have the greatest impact on attracting and retaining the quantity and quality needed to meet the required force profile.

The committee found three areas where changes would have the maximum impact with regard to influencing the number of physicians on active duty.

Increasing the end of obligation retention of health professions scholarship program (HPSP) physicians would significantly increase the number of physicians on active duty. We were astounded to find that, today, only 10 percent of physicians who reach this point remain on active duty. On the other hand, retention after that point is already very high. Attempting to influence retention in this latter area would be both very costly and ineffective in terms of increasing the number of physicians on active duty. That is not to say that action should not be taken to affect the well-being of physicians who have elected to remain in the military after completing their initial obligation. The availability of highly trained and respected senior physicians has a great deal of influence on the retention of junior physicians. The committee recognized this and built its recommendations on this observation.

A similar phenomenon exists at the end of obligation for volunteers. Although retention is higher at this point for volunteers, slight improvements could result in significant increases in physicians on active duty after this point.

The final point of major influence is in terms of the number of entries onto active duty. The committee found it critically important to the long range viability of the military health care delivery system that the scholarship program be operated at full capacity. This implies that physicians satisfying their initial active duty obligation must be positively oriented toward military service. These physicians communicate frequently with the medical schools from which they graduated and influence the attitudes of entering medical school students toward the military. Shortfalls in the number of students enrolled in the scholarship program will show up 4 to 8 years later in the number of physicians on active duty.

In summary, the committee found that actions in the present environment would have their greatest impact if focused on the points at which individuals reach their end of obligation and on insuring that the scholarship program is maintained at full capacity.

The committee recommendations are based, in part, on the considerations I just described. In addition, the committee considered compensation received by physicians in the private sector—not so much from the perspective of the absolute amounts but rather from the pattern of that compensation. In the private sector, physician incomes show a dramatic rise following completion of residency training. Thereafter income rises more gradually. We have attempted to match this general "shape" with our recommendations.

The special pay system for military physicians recommended by the committee would be composed of three components.

The first component would provide a payment of $10,000 per year while the physician is not engaged in internship or initial residency training. This payment would be made as a lump sum at the beginning of the year in exchange for a commitment on the part of the physician to serve that year on active duty. All physicians meeting this criterion would be eligible for this payment whether in an obligated status or not.

The second component, variable special pay, would be payable to all military physicians on active duty regardless of obligational status and would range from $1,200 to $10,000 per year depending on length of service. This component was set to achieve the shape and level of the total compensation desired by the committee. It would be paid in monthly amounts.

The third component would be a payment for board certification and would increase with longevity from $2,000 per year to $5,000 per year. This amount would also be payable on a monthly basis.

I would like to summarize the impact of this bill in terms of the total compensation to which a military physician would be entitled. This total compensation is composed of regular military compensation (that is basic pay, basic allowance for quarters, basic allowance for subsistence, and the tax advantage that accrues because the allowances are not subject to Federal income tax) plus the special pays proposed by the committee.

The proposed special pay system would provide military physicians generally higher compensation than their counterparts in the private sector while in internship and residency training—that is, approximately $23,000 while in training (the same as today) and approximately $27,000 while in residency training (slightly more than today). Following training, a physician's income would increase dramatically and would total over $38,000 per year. During this period of time the individual will be making the decision to remain in or to leave military service at the end of obligation.

By 6 years of service physicians would receive increases, raising total compensation to over $45,000. The total amount of compensation increases gradually, thereafter, eventually reaching a level of $58,000 for a senior physician who is not board certified.

The payment for board certification begins at a relatively low level and increases to a maximum of $5,000 payable after 18 years of service. Thus, the reward for becoming board certified, in effect, gets larger as the physician stays in the military longer. The majority of physicians with higher years of service are board certified (over 80 percent); and the committee was informed that, generally, physician incomes in the civilian sector are higher for those who hold board certification. The committee established the level of payment for board certification at a lesser amount in the early years of service because military exigencies may hamper the progress of an individual who wishes to achieve board certification; but after 12 years of service the amount rises relatively rapidly. By this time the committee believes that the services should be able to accommodate, through appropriate assignments, those who wish to pursue board certification. A board certified physician would eventually reach a level of total compensation of over $63,000 per year.

Compared to the compensation available under the present system, the proposed system is slightly more beneficial while a military physician is in residency training; significantly more beneficial while the individual is in an obligated status and making the decision to stay or to leave; slightly better for a nonboard certified physician through 18 years of service; and approximately equal for a senior military physician who does not seek board certification. The proposal includes "save pay" provisions so that physicians presently on active duty could not receive less in total compensation after the date of enactment than they did the day before the date of enactment.

The proposed special pay system is significantly better—approximately $5,000 better—than the current system throughout for a physician who is board certified.

The proposed system places the greatest increase in compensation at the end of the initial active duty obligation and shortly thereafter and into the payment for board certification.

DENTISTS

The committee recommended a proposed special pay system for dentists structured in a manner similar to that recommended for physicians.

The payment received while not in internship or residency training increases with years of service starting at $6,000 for those with 3 but less than 12 years, increasing to $8,000 for those with 12 to 18 years, and reaching $10,000 for those with over 18 years of service. This payment would be made as a lump sum at the beginning of each year if the dental officer agrees to remain on active duty for that year.

The variable special pay varies by years of services ranging from $1,200 to $9,000. This component was set to approximate the shape and level of total compensation desired by the committee. Variable special pay would go to all dental officers, would be paid on a monthly basis, and would be independent of whether the dentist is in residency training.

In addition, dentists who are board qualified would be eligible for an additional monthly payment increasing as

their years of service increases ranging from $2,000 to $4,000 per year.

The proposed system would pay significantly more than the current system to military dentists with between 3 and 6 years, providing total compensation of slightly over $30,000. For the general practitioner, the proposed system would provide considerably more than the current system from 6 to 18 years but slightly less than the current system after 18 years. Of course, the proposed system includes "save pay" provisions such that no dentist could receive less total compensation than he would have received under the current system on the day before the date of enactment.

A board qualified dental officer would receive very significant increases under the proposed system throughout. The board qualified dental officer would reach $62,000 after 22 years of service.

OTHER FACTORS

The military health care delivery system provides benefits to active duty members, their dependents, retired members, and their dependents. The committee supports strongly the goal of providing adequate health care to those 9 million potential beneficiaries. The military health care delivery system is one of the most significant fringe benefits of military compensation. In addition, its quality impacts on the well-being and morale of each and every military member, and it is an essential element of our national defense posture. The committee was cognizant of the importance of attracting and retaining adequate numbers of military health professionals in support of this mission.

The committee looked at alternatives that would match more closely the incomes of physicians in the private sector. However, the committee concluded that the military should not pay more than is necessary to attract and retain the required number and quality of military health professionals. This implies some reliance on the favorable aspects of military medicine and dentistry, not just trying to overcome the negative aspects with more compensation.

We believe the pay bill we have developed within the committee is the first step toward a solution—not the final solution—to the problems that manifest themselves in the military health care delivery system today. To this end, we have included a provision that would authorize $3 million for a test of alternative compensation incentives for special problem areas remaining. For example, incentives directed toward the critical shortages by specialty, or toward retention of the nucleus of medical managers whose position as "role models" for the younger physician is so critically important. The bill has removed all relationship between obligated status and amount of pay. The bill has no expiration date; it provides permanent authority. The levels of pay would be explicitly delineated in the statutes—not subject to administrative modification.

The first year cost of this proposal will be approximately $39 million, growing to about $126 million by fiscal year 1984.

I have received calls from Dr. John Moxley, the new Assistant Secretary of Defense for Health Affairs and Mr. Vernon McKenzie, his principal deputy; Lt. Gen. Paul W. Myers, Surgeon General of the Air Force; Lt. Gen. Charles C. Pixley, Surgeon General of the Army; and Dr. Jay Sanford, dean of the School of Medicine of the Uniformed Services University of the Health Sciences. Each has offered strong support for the committee recommendations. In addition, we have received indications of strong support for this bill from the field, both from senior and junior military health professionals.

Finally, Mr. Speaker, I would like to take this opportunity to express deep appreciation and gratitude to the witnesses from the Department of Defense, the Surgeons General—and particularly to Mr. Vernon McKenzie—for their great assistance and responsiveness during our hearings. They provided a great wealth of information, insight, and support to the committee's efforts. Whatever progress has been made by the recommendations of the committee was brought about, to a large extent, through the untiring efforts of these managers and their very capable staffs.

Mr. Speaker, I urge the Members of the House to support H.R. 5235.

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

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

Mr. MONTGOMERY. I thank the gentleman for yielding.

I want to commend the gentleman from Alabama (Mr. NICHOLS), the ranking member of the subcommittee for reporting this legislation out. It was certainly needed. There was no opposition in the committee or any opposition that I have heard of. We are going to have a medical and dental staff that can take care of our uniformed service people. We have got to have this legislation.

Mr. Speaker, I am pleased to have this opportunity to speak out in support of H.R. 5235, the Uniformed Services Health Professionals Special Pay Act of 1979. There is growing evidence of rapidly deteriorating medical care in the military, and it is essential that we upgrade these services as quickly as possible.

In the recently published Nifty Nugget reports in the Washington Post, it was revealed that in a military emergency in Europe we would not have sufficient medical personnel to care for the wounded, and the more seriously wounded would have to be flown back to the United States for treatment. A number of those would die in transport, not from injuries that were untreatable but from the lack of adequate medical manpower.

This is an alarming revelation, and one that is not to be taken lightly. With world conditions as shaky as they are today, our basic military needs cannot be ignored. I would hate to think that we could send our young men into combat with no assurances of adequate physicians to take care of the casualties.

One of our recruitment incentives is the promise of medical care for the military personnel and their dependents. I am certain you have all heard disturbing personal stories of the inadequacy of the dependent care that is available and the long waiting periods these people have to go through in order to get this care. This is not due to poor quality in the medical personnel, rather it is due to a shortage in numbers of physicians and medical support teams, and it certainly points out the strong need to provide recruitment and other incentives to make a military medical practice more competitive with the civilian sector.

Through the provisions for special pay in H.R. 5235, I believe Mr. NICHOLS and his Military Compensation Subcommittee have designed an excellent solution to these problems, and I would urge my colleagues to join me in my support of this measure.

Thank you.

Mr. MITCHELL of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I strongly support H.R. 5235.

The purpose of H.R. 5235 is to provide an improved system of special pay for the health professionals of the uniformed services.

Mr. Speaker, I ask unanimous consent to insert in the RECORD at this point, a detailed description of the major provisions of the bill.

I would like to discuss first of all the need for the program. To put it as succinctly as possible, the present system just is not working. We have a very severe doctor shortage. It is becoming more critical as the months go by, and it affects all services and all specialists within those services. There is no help in sight.

As an example of the problem, the severity of the problem, the services have found it necessary to terminate more than 400 different services and facilities throughout the world and the armed services this past year. Probably the shortage is even more severe than is projected because the services have the practice, when the shortages become too extreme, to merely change the authorization level, to cut back on the authorization and thus make it look as though things are better than they actually are, but it is a very poor situation.

From another perspective, Mr. Speaker, the deteriorating health services are often cited by service personnel when they come before our Committee on Military Compensation as a major complaint.

In hearings by our committee, we frequently hear the complaint made of a breach of contract or a breach of promise by the Government. The services find this as one of the major reasons young people are leaving. We are having a tough time filling our volunteer slots in the service.

Now, the statute provides that only those on active duty must be provided health care. But the recruiters very often

promise far more than this to the people they are attracting to the services. They promise that not only will the active duty person receive health care, but so will his dependents, and should he stay in for the full term of years and retire, that he will receive health care then, as will his dependents.

So the perception today is that there is a cutback in health care, that there is an erosion of benefits. This is another buzz word we hear in this committee, erosion of benefits. They say that the cruel, shortsighted, ungrateful Congress is taking something else away from the serviceman, something more away from the serviceman who has pledged his life for his country.

Voting for this package, Mr. Speaker, will not only help dispel this perception, but of course help provide improved health care, by helping to attract and retain more physicians and more health practitioners throughout the services.

I would like now to touch on three broad guidelines that were used when this legislation was developed.

One is that no one in the services now will make any less than he is at the present time.

The second is that we are putting the dollars, for the first time, as an incentive, during the pressure points in a career pattern. This is a time when a person is trying to make a decision whether he is going to stay and practice his health profession or whether he is going to leave the services and return to the civilian sector. At the present time we increase payments on the basis of longevity; the longer a person is there, the more money he earns.

We have used one other technique and that was to pattern our pay patterns pretty much parallel with the way they are in the civilian sector. They are not equal but they are parallel, and that is a good technique also.

Let me touch briefly on several other aspects of the legislation.

OPTOMETRISTS

The proposed special pay system for optometrists is composed of two components. An annual bonus of $1,000 per year would be payable after 3 years of service as a lump sum in exchange for an agreement to serve an additional year on active duty. All optometric officers would be eligible for this payment as long as they are not undergoing residency training.

A variable special pay ranging from $3,000 to $1,000 per year would also be payable to all optometric officers. This payment would be made on a monthly basis.

The proposed system attempts to address those areas that appear to be most susceptible to increasing the number of optometry officers on active duty, just as was the case in the other health professions. The greatest increases in pay for optometrists would be in the junior years where retention can be affected most significantly, with lesser increases in the senior years when pay for military optometrists appears to be more competitive with the pay of their civilian counterparts. Total compensation, of course, would increase throughout an optometric officer's career.

PODIATRISTS

Podiatrists in the military with more than 3 years of service would be eligible for a payment of $100 per month under the committee recommendation. Presently, these health professionals are not eligible for any special pay. The committee, however, was provided evidence that military service is attractive for participants today because of the opportunity to pursue residency training in the military. Although such opportunity is scarce in the private sector presently, it appears to becoming more available in the future. The committee believed that action was necessary, now, to preclude a shortage from developing in the future.

The bill also requires a biennial review by the Secretary of Defense of the adequacy of the new system of special pays for health professionals and a report to Congress on that review.

An evaluation of alternatives for correcting existing and prospective shortages of medical and dental specialties in the Armed Forces including a test of the effectiveness of paying additional special pay to officers in special categories is required under H.R. 5235. An authorization for a $3 million appropriation in fiscal year 1981 is included for this evaluation.

Mr. Speaker, this legislation has the potential for significantly improving military health care delivery, and I urge all Members to support the bill.

FACT SHEET—SPECIAL PAY FOR MILITARY HEALTH PROFESSIONALS

This fact sheet outlines the major provisions of H.R. 5235—a bill to revise the special pay provisions for certain health profesionals of the uniformed services.

GENERAL

The new special pay provisions would replace the current special pay system. None of the payments provided by the bill would be dependent on the obligated status of the physician; there would be no expiration date for the authority for these payments; and the level of the payments would be specifically delineated in statute and not subject to administrative change.

PHYSICIANS

Three types of special pays are provided for physicians under the bill: a payment while not in internship or initial residency training; a variable special pay; and a payment for Board Certification.

PAYMENT WHILE NOT IN TRAINING

An annual payment of $10,000 per year would be provided to all physicians not engaged in internship or initial residency training. This payment would be offered as a lump sum at the beginning of a year for which a physician agrees to remain on active duty.

VARIABLE SPECIAL PAY

The second component, variable special pay, would be payable to *all* military physicians on active duty regardless of status and would range from $5,000 to $10,000 per year depending on years of creditable service ($1200 per year would be payable when a physician is engaged in internship). Variable special pay was set to achieve the desired shape and level of the total compensation curve. It would be paid on a monthly basis. The annual rates of variable special pay are shown below:

Years of creditable service:	*Annual variable special pay*
In internship	$1,200
Less than 6	5,000
6 to 8	10,000
8 to 10	9,500
10 to 12	9,000
12 to 14	8,000
14 to 18	7,000
18 to 22	6,000
Over 22	5,000

Flag officers would receive $1,000 as variable special pay regardless of years of service. They are also eligible for the other components of special pay if they meet the appropriate criteria.

PAYMENT FOR BOARD CERTIFICATION

The third component of special pay would be payable to physicians who have achieved Board Certification and would depend on years of creditable service. The amount would range from $2,000 to $5,000 per year and would be paid on a monthly basis. The annual rates are shown below:

Years of creditable service:	*Annual payment for board certification*
Less than 10	$2,000
10 to 12	2,500
12 to 14	4,000
14 to 18	4,000
Over 18	5,000

CREDITABLE SERVICE

For the purpose of establishing the amount of special pay, creditable service for a military physician is computed by adding all periods spent in medical internship and residency status while not on active duty plus all periods of active service as a military physician.

DENTISTS

The same three types of special pays are provided military dentists under the bill: a payment while not in internship or residency training; a variable special pay; and a payment for Board Qualification.

PAYMENT WHILE NOT IN TRAINING

The payment received while not in internship or residency training increases with years of creditable service and would be paid as a lump sum at the beginning of a year for which the dental officer agrees to remain on active duty. The annual rates are shown below:

Years of creditable service:	*Annual payment*
3 to 12	$6,000
12 to 18	8,000
Over 18	10,000

VARIABLE SPECIAL PAY

The second component, variable special pay, would depend on years of creditable service and would be paid on a monthly basis. The amounts of variable special pay were set to achieve the desired shape and level of total compensation for military dentists. This component of special pay would be paid to all military dentists. The annual rates of variable special pay are shown below:

Years of creditable service:	*Annual rate of variable special pay*
During internship	$1,200
Less than 6	2,000
6 to 8	5,000
8 to 10	7,000
10 to 12	9,000
12 to 14	8,000
14 to 18	7,000
Over 18	5,000

Flag officers would receive $1,000 as variable special pay regardless of years service. They are also eligible for the other components of special pay if they meet the appropriate criteria.

PAYMENT FOR BOARD QUALIFICATION

The third component of special pay for dental officers would be payable to dentists who had achieved Board Qualification and would depend on years of creditable service. The amount would range from $2,000 to $4,000 per year and would be paid on a monthly basis. The criterion for this payment would be Board Certification if that criterion were attainable in the private sector. The annual rates are shown below:

Years of creditable service:	*Annual payment for board qualification*
Less than 12	$2,000
12 to 14	3,000
Over 14	4,000

CREDITABLE SERVICE

For the purpose of establishing the amount of special pay, creditable service for a military dentist is computed by adding all periods spent in dental internship and residency status while not on active duty plus all periods of active service as a military dentist.

OPTOMETRISTS

Two types of special pay are provided military optometrists under the bill: a payment while not in residency training and variable special pay.

PAYMENT WHILE NOT IN TRAINING

The military optometrist with over 3 years of creditable service would be eligible for an annual lump sum payment of $1,000 in exchange for an agreement to remain on active duty for an additional year. All optometric officers would be eligible for this payment as long as they are not undergoing residency training.

VARIABLE SPECIAL PAY

A variable special pay would be payable to all optometric officers depending on years of service. It would be paid on a monthly basis. The annual rates of variable special pay are shown below:

Years of creditable service:	*Annual rate of variable special pay*
Less than 6	$3,000
6 to 12	2,500
12 to 16	2,000
Over 16	1,000

CREDITABLE SERVICE

For the purpose of establishing the amount of special pay, creditable service for a military optometrist is computed by adding all periods spent in optometric residency training while not on active duty plus all periods of active service as a miltary optometrist.

PODIATRISTS

Military podiatrists with over 3 years of creditable service would be eligible for a payment of $100 per month. Creditable service would be computed by adding all periods spent in podiatric residency training while not on active duty plus all periods of active service as a military podiatrist.

VETERINARIANS

Although no change was made to the amount of special pay received by a military veterinarian ($100 per month), the expiration date of the authority for this pay was repealed, and the authority was made permanent.

□ 1420

I would urge my colleagues to support this legislation. It is worthy; it is needed.

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

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama (Mr. NICHOLS) that the House suspend the rules and pass the bill (H.R. 5235).

The question was taken.

Mr. ASHBROOK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3, rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. NICHOLS. 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 considered.

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

There was no objection.

INTEREST RATE MODIFICATIONS

Mr. DELLUMS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5811) to allow the Interest Rate Modification Act of 1979, passed by the Council of the District of Columbia, to take effect immediately.

The Clerk read as follows:

H.R. 5811

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 602(c)(1) of the District of Columbia Self-Government and Government Reorganization Act shall not apply to the Interest Rate Modification Act of 1979 (District of Columbia act 3-119) passed by the Council of the District of Columbia on November 6, 1979, and signed by the Mayor of the District of Columbia on November 6, 1979, and such District of Columbia act shall become law on the date of the enactment of this Act, notwithstanding 404(e) of the District of Columbia Self-Government and Government Reorganization Act and any provision to the contrary in such District of Columbia act.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from California (Mr. DELLUMS) will be recognized for 20 minutes, and the gentleman from Connecticut (Mr. MCKINNEY) will be recognized for 20 minutes.

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

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

Mr. Speaker, the purpose of H.R. 5811 is to make effective immediately an act of the Council of the District of Columbia, thereby waiving the 30-day congressional layover period specified in section 602(c)(1) of the Home Rule Act (District of Columbia Self-Government and Governmental Reorganization Act of 1973 (Public Law 93-198).

The Council Act which would become law, immediately upon enactment of H.R. 5811, is the Interest Rate Modification Act of 1979 (D.C Act 3-119), which was passed by the Council on November 6, 1979, and signed by the Mayor on the same day. The District Act raises the usury limitation on residential and certain other consumer loans to 15 percent.

Without H.R. 5811, Council Act 3-119 would not take effect for 30 legislative days from the time it was transmitted to the Speaker of the House and the President of the Senate. Based on expected legislative days ahead, the congressional layover period of 30 days would expire about February 1, 1980.

Recently, the Federal National Mortgage Association announced that it would no longer purchase home mortgages on property in the District of Columbia. The Federal Home Loan Mortgage Corporation, private participants in the secondary mortgage market, and other residential mortgage lenders, have taken similar action.

The typical market rate for residential mortgages is about 14 percent in the District of Columbia. However, lenders fear that earlier action taken by the District Council, namely, on October 5, 1979, to raise the usury limitation on residential mortgages from 11 percent to 15 percent may be invalid. This action by the Council was taken by adopting a temporary Second Emergency Act (D.C. Act 3-105), which is due to expire on January 3, 1980. By that time, the 30 legislative days required for congressional layover of Council Act 3-119 will not have expired, thus, the necessity for the emergency legislation before us at this time, that is, H.R. 5811.

Also, a recent trial court decision in a case involving condominium conversion regulations has raised doubts about the legality of the "emergency acts" of the Council.

Mr. Speaker and Members of this distinguished body, without H.R. 5811, persons seeking to buy or sell residential property in the District of Columbia will be unable to get a mortgage loan for about 3 months. Many pending settlements have already been suspended.

In addition, the bill before us, H.R. 5811, clarifies any questions as to the status of loans with effective interest rates in excess of 11 percent made since October 5, 1979, which was the effective date of District of Columbia Act 3-105, the "emergency" act setting the interest ceiling at 15 percent. The committee does not doubt the validity of act 3-105, and in section 2(b)(2) of D.C. Act 3-119, the Council has affirmed the 15 percent ceiling set in D.C. Act 3-105 effective October 5, 1979.

Thus, H.R. 5811 is needed to prevent the potential for grave and irreparable harm to the citizens of the District of Columbia if the nonusurious character of loans made between October 5, 1979, and the effective date of this act, is called into question. It is the specific intent of the committee that this bill remove any and all questions as to the nonusurious character of those loans.

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

Mr. Speaker, I rise in support of H.R. 5811. The decision by several lending institutions to stop making mortgage loans has created a genuine emergency in the city's housing market.

The consequences of this mortgage loan crisis for the area's real estate market, as well as many prospective home buyers, is very serious. Several of the area's largest savings and loan associations and other lending institutions have already postponed loan settlements and ceased accepting new applications. This can only make a bad housing situation worse.

The legality of the District's emergency legislation procedures, which it has used twice to raise the usury limitation on residential mortgages, has been questioned in a recent court decision. The city's permanent legislation to lift the interest ceiling will not become effective until after the 30-day congressional review period. Without this legislation, persons wishing to buy and sell residential property in the District of Columbia will have to wait for months.

I do have reservations about the District's decision to maintain a usury ceiling and the City Council's current use of its emergency legislative powers. It is my feeling that in fact, if an issue is important enough to be legislated by the City Council, it should be passed through the permanent legislative process. But these are matters to be brought up for discussion at another time. It is unfair to ask prospective buyers and sellers in the District of Columbia to bear the brunt of a problem that is the result of legislative procedural quirks.

Therefore, I urge my colleagues to join me in support of H.R. 5811.

Mr. DELLUMS. Mr. Speaker, I yield such time as he may consume to the gentleman from the District of Columbia (Mr. FAUNTROY).

Mr. FAUNTROY. Mr. Speaker, I rise in support of H.R. 5811, a bill to allow the Interest Rate Modification Act of 1979 passed by the Council of the District of Columbia to take effect immediately. This extraordinary legislation is necessary because of the decision by the Federal National Mortgage Association to cease purchases of mortgages secured by residential real estate located in the District of Columbia.

The magnitude of that decision, which was followed by other secondary market investors, is best understood when measured against the holdings by this single institution, FNMA, of District of Columbia mortgages with a July 1979 value of more than $187 million. Additional unknown amounts are held by the Federal Home Loan Mortgage Corporation, and other private and governmental investors.

The decision by other lenders to follow the lead of FNMA was based upon the fact that the security laws put a heavy burden upon an investor to demonstrate that the decision reached by FNMA held almost no chance of success should a legal challenge be made against any obligation held in the portfolio which originated from the District of Columbia. Quite understandably, all mortgage lending ceased in the city.

The legislation which is pending before you would end that impasse by waiving the 30-day layover which is required in the Home Rule Act. The City Council did pass emergency legislation to increase the interest rate ceilings. The committee believes, I understand, that legislation to be legally proper. However, the decision by mortgage lenders, which is based upon another court case with a holding which broadly questions the right of the city to utilize emergency legislation more than once on the same subject, has effectively clouded any further lending until the city's permanent legislation is effective. This bill would make that permanent law effective immediately. Additionally, I would note that the law relates back to any transactions which occurred since October 5, 1979, the intended effective date of the emergency legislation and thereby removes any cloud over loans made subsequent to that date.

This legislation does not deal with any of the other questions concerning emergency legislation. There is some belief that we ought to await the decision of the court of appeals so that we can have the benefit of their thinking in this matter. When the decision is rendered, the subcommittee of which I am chairman, Governmental Affairs and Budget, will carefully weigh other amendments as we find are necessary. No one wants a repeat of this event and no one can assure you that anything we draft will be effective until we hear from the court of appeals, if indeed they say that some remedy is necessary or desirable.

I cannot overemphasize that the resultant lack of mortgages has nothing to do with the city council or the mayor. Both have acted responsibly and timely to the best of their legal capacity. They could not have acted any other way than they did. In these times of absolutely unpredictable interest rates and inflation, any attempt to protect the citizens against nonmarket interest rates—or usurious rates of interest—is going to be hard, difficult, and fraught with some potential complications. This is a problem other States are having. The Congress is being asked to meet their needs in special legislation and this is no different. I urge your support for the bill and its speedy passage.

I yield back the balance of my time.

Mr. DELLUMS. Mr. Speaker, I yield such time as he may consume to the gentleman from Maryland (Mr. BARNES).

Mr. BARNES. Mr. Speaker, I am sure my colleagues have seen in the front pages of all of the Washington papers in the last few days that there is a crisis right now in the mortgage market in the District of Columbia which has been delineated by the distinguished chairman of our committee and the distinguished ranking minority member.

The D.C. City Council has, as has been explained, passed permanent legislation that resolves this crisis. The bill is signed into law 1 week ago today by the Mayor of the District of Columbia.

□ 1430

The problem is that under the provisions of the D.C. Home Rule Act, permanent legislation such as has been passed by the D.C. City Council has to come up here to Congress for a review period of 30 legislative days before it becomes law. In this case, as Mr. McKINNEY indicated, the 30-legislative-day period is likely to extend into January, February, and even March of next year.

In the meantime, we have a genuine crisis on our hands here in the Washington area. It is a crisis which affects not only the District of Columbia but also the suburbs. The impact on the real estate market of the entire Washington, D.C. area is very closely intertwined, and the impact is severe upon realtors, renters, and particularly those buyers and sellers who have been hoping that they will be able to act in the next couple of weeks.

In that respect, I might indicate that all the representatives of the suburban congressional districts have joined in support of this legislation, including the gentleman from Virginia (Mr. HARRIS), the gentleman from Virginia (Mr. FISHER), and the gentlewoman from Maryland (Mrs. SPELLMAN). That is why I, together with Delegate FAUNTROY and leaders of the D.C. Committee, have introduced this legislation.

This is a very simple bill that simply removes, in this one instance, the requirement for a 30-day review period. The cost to the Federal Government of this legislation is zero. It merely allows the District of Columbia to do immediately what other jurisdictions all around the country have already done; that is, raise the ceiling on interest rates. Without this bill, the paralysis in the mortgage field in the District of Columbia is going to continue.

I think it is imperative that we vote immediately to suspend the rules and pass this legislation. I thank the distinguished chairman for his leadership in calling the D.C. Committee together on an emergency basis to bring this legislation to the floor. The committee acted unanimously, and I hope that the full House will concur in that judgment this afternoon.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. DELLUMS) that the House suspend the rules and pass the bill, H.R. 5811.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DELLUMS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to

include extraneous matter on the bill just passed.

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

There was no objection.

CALL OF THE HOUSE

Mr. GARCIA. 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. 650]

Abdnor
Addabbo
Akaka
Albosta
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Anthony
Applegate
Archer
Ashbrook
Atkinson
AuCoin
Badham
Bafalis
Bailey
Baldus
Barnes
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bellenson
Benjamin
Bennett
Bereuter
Bethune
Bevill
Biaggi
Bingham
Blanchard
Boland
Bolling
Boner
Bonior
Bouquard
Brademas
Brinkley
Brodhead
Brooks
Broomfield
Brown, Ohio
Broyhill
Burgener
Burlison
Burton, Phillip
Butler
Byron
Campbell
Carney
Carr
Carter
Cavanaugh
Chappell
Cheney
Chisholm
Clay
Clinger
Collins, Ill.
Collins, Tex.
Conable
Conte
Conyers
Corcoran
Corman
Cotter
Coughlin
Courter
Crane, Daniel
D'Amours
Daniel, Dan
Daniel, R. W.
Danielson
Dannemeyer
Davis, Mich.
Davis, S.C.
de la Garza
Deckard
Dellums
Derrick
Derwinski
Devine
Dickinson
Dicks
Dingell
Dixon
Dodd
Donnelly
Dornan
Dougherty
Downey
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Edwards, Ala.
Edwards, Okla.
Emery
English
Erdahl
Erlenborn
Ertel
Evans, Del.
Evans, Ga.
Evans, Ind.
Fary
Fascell
Fazio
Ferraro
Findley
Fish
Fisher
Fithian
Flippo
Florio
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fowler
Frenzel
Frost
Garcia
Gaydos
Giaimo
Gilman
Gingrich
Ginn
Glickman
Gonzalez
Goodling
Gore
Gradison
Gramm
Grassley
Gray
Green
Grisham
Guarini
Gudger
Guyer
Hagedorn
Hall, Ohio
Hall, Tex.
Hamilton
Hammer-schmidt
Hance
Hanley
Hansen
Harkin
Harris
Hawkins
Hefner
Heftel
Hightower
Hillis
Hinson
Hollenbeck
Holt
Hopkins
Horton
Howard
Hubbard
Huckaby
Hughes
Hyde
Ichord
Jacobs
Jeffords
Jeffries
Jenkins
Jenrette
Johnson, Calif.
Jones, Okla.
Kastenmeier
Kazen
Kelly
Kildee
Kindness
Kramer
LaFalce
Lagomarsino
Latta
Leach, Iowa
Leach, La.
Leath, Tex.
Lederer
Lehman
Leland
Lent
Levitas
Lewis
Livingston
Lloyd
Loeffler
Long, La.
Long, Md.
Lott
Lowry
Lujan
Luken
Lundine
Lungren
McClory
McCormack
McDade
McDonald
McEwen
McHugh
McKay
McKinney
Maguire
Markey
Marks
Marlenee
Marriott
Martin
Mathis
Mavroules
Mica
Miller, Calif.
Miller, Ohio
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Motti
Murphy, Ill.
Murphy, N.Y.
Murphy, Pa.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Nedzi
Nelson
Nichols
Nolan
Nowak
O'Brien
Oakar
Oberstar
Obey
Panetta
Pashayan
Patten
Patterson
Paul
Pease
Pepper
Perkins
Petri
Peyser
Pickle
Preyer
Price
Pritchard
Pursell
Quayle
Quillen
Railsback
Rangel
Ratchford
Regula
Reuss
Rhodes
Richmond
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rose
Rostenkowski
Rousselot
Roybal
Royer
Rudd
Runnels
Russo
Sabo
Satterfield
Sawyer
Schulze
Sensenbrenner
Shannon
Shelby
Shumway
Shuster
Simon
Skelton
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solomon
Spellman
Spence
St Germain
Stack
Staggers
Stangeland
Stanton
Steed
Stenholm
Stewart
Stokes
Stratton
Studds
Stump
Swift
Symms
Synar
Tauke
Taylor
Thomas
Thompson
Traxler
Trible
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vento
Volkmer
Walgren
Walker
Wampler
Watkins
Weaver
Weiss
White
Whitehurst
Whitley
Whittaker
Whitten
Williams, Mont.
Williams, Ohio
Wilson, Bob
Wilson, C. H.
Winn
Wirth
Wolff
Wolpe
Wright
Wyatt
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Mo.
Zablocki
Zeferetti

□ 1450

The SPEAKER pro tempore. On this rollcall 366 Members have recorded their presence by electronic device, a quorum.

Under the rule, further proceedings under the call are dispensed with.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has been concluded on all motions to suspend the rules.

Pursuant to clause 3, rule XXVII, the Chair will now put the question on each motion on which further proceedings were postponed in the order in which that motion was entertained.

Votes will be taken in the following order:

H.R. 5461, House Concurrent Resolution 200, and H.R. 5235, on which the yeas and nays were ordered.

The Chair will reduce to 5 minutes the time for any electronic votes after the first vote in this series.

MARTIN LUTHER KING BIRTHDAY

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 5461, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. GARCIA) that the House suspend the rules and pass the bill, H.R. 5461, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 252, nays 133, not voting 48, as follows:

[Roll No. 651]

YEAS—252

Addabbo
Akaka
Alexander
Ambro
Anderson, Calif.
Andrews, N.C.
Annunzio
Anthony
Aspin
Atkinson
AuCoin
Bailey
Baldus
Barnes
Beard, R.I.
Benjamin
Bethune
Bevill
Biaggi
Bingham
Blanchard
Boland
Bolling
Boner
Bonior
Bouquard
Brademas
Brodhead
Brooks
Brown, Calif.
Brown, Ohio
Burlison
Burton, Phillip
Byron
Carr
Carter
Cavanaugh
Chappell
Chisholm
Clausen
Clay
Collins, Ill.
Conte
Conyers
Corman
Cotter
D'Amours
Danielson
Davis, S.C.
Deckard
Dellums
Derrick
Dicks
Diggs
Dingell
Dixon
Dodd
Donnelly
Dougherty
Downey
Drinan
Duncan, Tenn.
Early
Eckhardt
Edwards, Calif.
Edwards, Okla.
Emery
Ertel
Evans, Del.
Evans, Ga.
Fary
Fascell
Fazio
Ferraro
Fish
Fisher
Fithian
Florio
Foley
Ford, Mich.
Ford, Tenn.
Fountain
Fowler
Frost
Garcia
Gaydos
Giaimo
Gibbons
Gilman
Gingrich
Ginn
Glickman
Gonzalez
Gore
Gramm
Gray
Green
Guarini
Gudger
Hall, Ohio
Hamilton
Hammer-schmidt
Hance
Hanley
Harkin
Harris
Hawkins
Hefner
Heftel
Hightower
Hillis
Hollenbeck
Hopkins
Horton
Howard
Hubbard
Huckaby
Hughes
Hyde
Ireland
Jacobs
Jenrette
Johnson, Calif.
Jones, Okla.
Jones, Tenn.
Kastenmeier
Kazen
Kildee
Kogovsek
Leach, La.
Leach, Iowa
Lederer
Lehman
Leland
Lent
Levitas
Lloyd
Long, La.
Long, Md.
Lowry
Luken
Lundine
McClory
McDade
McHugh
McKinney
Maguire
Markey
Marks
Mathis
Matsui
Mavroules
Mica
Miller, Calif.
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Motti
Murphy, Ill.
Murphy, N.Y.
Murphy, Pa.
Murtha
Myers, Pa.
Natcher
Neal
Nelson
Nolan
Nowak
Oakar
Oberstar
Obey
Ottinger
Panetta
Patten
Patterson
Pease
Pepper
Perkins
Peyser
Pickle
Preyer
Price
Pritchard
Pursell
Quayle
Railsback
Rangel
Ratchford
Reuss
Rhodes
Richmond
Rinaldo
Rodino
Roe
Rose
Rostenkowski
Roybal
Russo
Sabo
Santini
Scheuer
Seiberling
Shannon
Sharp
Shelby
Simon
Skelton
Smith, Iowa
Solarz
Spellman
St Germain
Stack
Staggers
Stanton
Steed
Stewart
Stokes
Stratton
Studds
Swift
Synar
Thompson
Traxler
Trible
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vento
Volkmer
Walgren
Waxman
Weaver
Weiss
Whitley
Williams, Mont.
Williams, Ohio
Wilson, Bob
Wilson, C. H.
Wirth
Wolff
Wolpe
Wright
Wyatt
Yates
Yatron
Young, Mo.
Zeferetti

NAYS—133

Abdnor
Andrews, N. Dak.
Applegate
Archer
Ashbrook
Badham
Bafalis
Bauman
Beard, Tenn.
Bedell
Bellenson
Bennett
Bereuter
Brinkley
Broomfield
Broyhill
Burgener
Butler
Campbell
Carney
Cheney
Clinger
Collins, Tex.
Conable
Corcoran
Coughlin
Courter
Crane, Daniel
Daniel, Dan
Daniel, R. W.
Dannemeyer
Daschle
Davis, Mich.
de la Garza
Derwinski
Devine
Dickinson
Dornan
Duncan, Oreg.
Edwards, Ala.
English
Erdahl
Erlenborn
Evans, Ind.
Findley
Flippo
Forsythe
Frenzel
Goodling
Gradison
Grassley
Grisham
Guyer
Hagedorn
Hall, Tex.
Hansen
Harsha
Hinson
Holt

Ichord
Jeffords
Jeffries
Jenkins
Kelly
Kindness
Kramer
Lagomarsino
Latta
Leath, Tex.
Lewis
Livingston
Loeffler
Lott
Lujan
Lungren
McCormack
McDonald
McEwen
McKay
Madigan
Marlenee
Marriott
Martin
Miller, Ohio
Mollohan
Montgomery
Moore
Moorhead, Calif.
Myers, Ind.
Nedzi
Nichols
O'Brien
Paul
Petri
Quillen
Regula
Ritter
Roberts
Robinson
Rousselot
Royer
Rudd
Runnels
Satterfield
Sawyer
Schulze
Sensenbrenner
Shumway
Shuster
Slack
Smith, Nebr.
Snyder
Solomon
Spence
Stangeland
Stenholm
Stump
Symms
Tauke
Taylor
Thomas
Walker
Wampler
Watkins
White
Whitehurst
Whittaker
Winn
Wydler
Wylie
Young, Alaska
Young, Fla.
Zablocki

NOT VOTING—48

Albosta
Anderson, Ill.
Ashley
Barnard
Boggs
Bonker
Bowen
Breaux
Buchanan
Burton, John
Cleveland
Coelho
Coleman
Crane, Philip
Edgar
Fenwick
Flood
Fuqua
Gephardt
Goldwater
Heckler
Holland
Holtzman
Hutto
Johnson, Colo.
Jones, N.C.
Kemp
Kostmayer
LaFalce
Lee
McCloskey
Mattox
Mazzoli
Michel
Mikulski
Moorhead, Pa.
Pashayan
Rahall
Rosenthal
Roth
Schroeder
Sebelius
Snowe
Stark
Stockman
Treen
Whitten
Wilson, Tex.

□ 1500

The Clerk announced the following pairs:

On this vote:

Mrs. Boggs and Mr. Rahall for, with Mr. Sebelius against.

Mrs. Heckler and Mr. Jones of North Carolina for, with Mr. Breaux against.

Ms. Holtzman and Mr. Rosenthal for, with Mr. Lee against.

Mr. Flood and Mr. Stark for, with Mr. Roth against.

Until further notice:

Mr. Albosta with Mr. Anderson of Illinois.
Mr. Udall with Mrs. Snowe.
Mr. LaFalce with Mr. Michel.
Mr. Mazzoli with Mr. Pashayan.
Mr. Ashley with Mr. Kemp.
Mr. Bowen with Mr. Goldwater.
Mr. John L. Burton with Mr. McCloskey.
Mr. Coelho with Mrs. Fenwick.
Mr. Fuqua with Mr. Buchanan.
Mr. Whitten with Mr. Philip M. Crane.
Mrs. Schroeder with Mr. Mattox.
Mr. Moorhead of Pennsylvania with Mr. Cleveland.
Ms. Mikulski with Mr. Bonker.
Mr. Barnard with Mr. Edgar.
Mr. Kostmayer with Mr. Charles Wilson of Texas.
Mr. Gephardt with Mr. Holland.

So (two-thirds not having voted in favor thereof) the motion was rejected.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 3(b)(3), rule XXVII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on all the additional motions to suspend the rules on which the Chair has postponed further proceedings.

SENSE OF CONGRESS EXPRESSION RESPECTING BALTIC STATES AND SOVIET CITIZENSHIP CLAIMS OVER CERTAIN U.S. CITIZENS

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and agreeing to the concurrent resolution (H. Con. Res. 200) as amended.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Indiana (Mr. FITHIAN) that the House suspend the rules and agree to the concurrent resolution (H. Con. Res. 200) as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 390, nays 0, not voting 43, as follows:

[Roll No. 652]

YEAS—390

Abdnor
Addabbo
Akaka
Albosta
Alexander
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Anthony
Applegate
Archer
Ashbrook
Aspin
Atkinson
AuCoin
Badham
Bafalis
Bailey
Baldus
Barnes
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bellenson
Benjamin
Bennett
Bereuter
Bethune
Bevill
Biaggi
Bingham
Blanchard
Boland
Bolling
Boner
Bonior
Bouquard
Brademas
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Ohio
Broyhill
Burgener
Burlison
Burton, Phillip
Butler
Byron
Campbell
Carney
Carr
Carter
Cavanaugh
Chappell
Cheney
Chisholm
Clausen
Clay
Clinger
Coleman
Collins, Ill.
Collins, Tex.
Conable
Conte
Conyers
Corcoran
Corman
Cotter
Coughlin
Courter
Crane, Daniel
D'Amours
Daniel, Dan
Daniel, R. W.
Danielson
Dannemeyer
Daschle
Davis, Mich.
Davis, S.C.
de la Garza
Deckard
Dellums
Derrick
Derwinski
Devine
Dickinson
Dicks
Diggs
Dingell
Dixon
Dodd
Donnelly
Dornan
Dougherty
Downey
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Eckhardt
Edwards, Ala.
Edwards, Calif.
Edwards, Okla.
Emery
English
Erdahl
Erlenborn
Ertel
Evans, Del.
Evans, Ga.
Evans, Ind.
Fary
Fascell
Fazio
Ferraro
Findley
Fish
Fisher
Fithian
Flippo
Florio
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fowler
Frenzel
Frost
Garcia
Gaydos
Giaimo
Gibbons
Gilman
Gingrich
Ginn
Glickman
Gonzalez
Goodling
Gore
Gradison
Gramm
Grassley
Green
Grisham
Guarini
Gudger
Guyer
Hagedorn
Hall, Ohio
Hall, Tex.
Hamilton
Hammer-schmidt
Hance
Hanley
Hansen
Harkin
Harris
Harsha
Hawkins
Hefner
Heftel
Hightower
Hillis
Hinson
Hollenbeck
Holt
Hopkins
Horton
Howard
Hubbard
Huckaby
Hughes
Hutto
Hyde
Ichord
Ireland
Jacobs
Jeffords
Jeffries
Jenkins
Jenrette
Johnson, Calif.
Jones, Okla.
Jones, Tenn.
Kastenmeier
Kazen
Kelly
Kildee
Kindness
Kogovsek
Kramer
LaFalce
Lagomarsino
Latta
Leach, Iowa
Leach, La.
Leath, Tex.
Lederer
Lehman
Leland
Lent
Levitas
Lewis
Livingston
Lloyd
Loeffler
Long, La.
Long, Md.
Lott
Lowry
Lujan
Luken
Lundine
Lungren
McClory
McCormack
McDade
McDonald
McEwen
McHugh
McKay
McKinney
Madigan
Maguire
Markey
Marks
Marlenee
Marriott
Martin
Mathis
Matsui
Mavroules
Mica
Miller, Calif.
Miller, Ohio
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Mottl
Murphy, Ill.
Murphy, N.Y.
Murphy, Pa.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nelson
Nichols
Nolan
Nowak
O'Brien
Oakar
Oberstar
Obey
Ottinger
Panetta
Pashayan
Patten
Patterson
Paul
Pease
Pepper
Perkins
Petri
Peyser
Pickle
Preyer
Price
Pritchard
Pursell
Quayle
Quillen
Railsback
Rangel
Ratchford
Regula
Reuss
Rhodes
Richmond
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rose
Rostenkowski
Rousselot
Roybal
Royer
Rudd
Runnels
Russo
Sabo
Santini
Satterfield
Sawyer
Scheuer
Schulze
Seiberling
Sensenbrenner
Shannon
Sharp
Shelby
Shumway
Shuster
Simon
Skelton
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Solomon
Spellman
Spence
St Germain
Stack
Staggers
Stangeland
Stanton
Steed
Stenholm
Stewart
Stokes
Stratton
Studds
Stump
Swift
Symms
Synar
Tauke
Taylor
Thomas
Thompson
Traxler
Trible
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vento
Volkmer
Walgren
Walker
Wampler
Watkins
Waxman
Weaver
Weiss
White
Whitehurst
Whitley
Whittaker
Whitten
Williams, Mont.
Williams, Ohio
Wilson, Bob
Wilson, C. H.
Winn
Wirth
Wolff
Wolpe
Wright
Wyatt
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Mo.
Zablocki
Zeferetti

NAYS—0

NOT VOTING—43

Anderson, Ill.
Ashley
Barnard
Boggs
Bonker
Bowen
Breaux
Buchanan
Burton, John
Cleveland
Coelho
Crane, Philip
Edgar
Fenwick
Flood
Fuqua
Gephardt
Goldwater
Gray
Heckler
Holland
Holtzman
Johnson, Colo.
Jones, N.C.
Kemp
Kostmayer
Lee
McCloskey
Mattox
Mazzoli
Michel
Mikulski
Moorhead, Pa.
Rahall
Rosenthal
Roth
Schroeder
Sebelius
Snowe
Stark
Stockman
Treen
Wilson, Tex.

□ 1510

The Clerk announced the following pairs:

Mr. Jones of North Carolina with Mr. Anderson of Illinois.
Mr. Gray with Mr. Lee.
Mr. Fuqua with Mr. Kemp.
Mr. Gephardt with Mrs. Heckler.
Mr. Ashley with Mr. Goldwater.
Mrs. Boggs with Mr. Philip M. Crane.
Mr. Breaux with Mrs. Fenwick.
Mr. Charles Wilson of Texas with Mrs. Snowe.
Mr. Rahall with Mr. Roth.
Mr. Moorhead of Pennsylvania with Mr. McCloskey.
Mr. Holland with Mr. Buchanan.
Mr. Edgar with Mr. Sebelius.
Ms. Mikulski with Ms. Holtzman.
Mr. Coelho with Mr. Cleveland.

Mr. John L. Burton with Mr. Kostmayer.
Mr. Rosenthal with Mr. Mattox.
Mr. Mazzoli with Mr. Stark.
Mr. Bowen with Mrs. Schroeder.
Mr. Barnard with Mr. Bonker.

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

POINT OF ORDER

Mr. WOLFF. Mr. Speaker, I have a point of order.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WOLFF. Mr. Speaker, during the past votes, the light on the board indicated that Representative SCHROEDER voted "aye." The gentlewoman from Colorado (Mrs. SCHROEDER) is in Cambodia at the moment, and I do not believe that she is voting. There must be something wrong with the voting machine. Can the Chair inform us?

The SPEAKER pro tempore (Mr. MINISH). The Chair will advise the gentleman that there is some problem with the light, but the gentlewoman from Colorado (Mrs. SCHROEDER) is not recorded as having voted on any vote today.

Mr. WOLFF. I thank the Chair.

PAY RESTRUCTURE OF UNIFORMED SERVICES HEALTH PROFESSIONALS

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 5235.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama (Mr. NICHOLS) that the House suspend the rules and pass the bill, H.R. 5235, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 377, nays 10, answered "present" 1, not voting 45, as follows:

[Roll No. 653]

YEAS—377

Abdnor
Addabbo
Akaka
Albosta
Alexander
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Anthony
Applegate
Archer
Ashbrook
Aspin
Atkinson
AuCoin
Badham
Bafalis
Bailey
Baldus
Barnes
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bereuter
Bethune
Bevill
Biaggi
Bingham
Blanchard
Boland
Bolling
Boner
Bonior
Bouquard
Brademas
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Ohio
Broyhill
Burgener
Burlison
Burton, Phillip
Butler
Byron
Campbell
Carney
Carr
Carter
Cavanaugh
Chappell
Cheney
Chisholm
Clausen
Clay
Clinger
Coleman
Collins, Ill.
Collins, Tex.
Conable
Conte
Corcoran
Corman
Cotter
Coughlin
Courter
Crane, Daniel
D'Amours
Daniel, Dan
Daniel, R. W.
Danielson
Dannemeyer
Daschle
Davis, Mich.
Davis, S.C.
de la Garza
Deckard
Dellums
Derrick
Derwinski
Devine
Dickinson
Dicks
Diggs
Dingell
Dixon
Dodd
Donnelly
Dornan
Dougherty
Downey
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Eckhardt
Edwards, Ala.
Edwards, Calif.
Edwards, Okla.
Emery
English
Erdahl
Erlenborn
Ertel
Evans, Del.
Evans, Ga.
Evans, Ind.
Fary
Fascell
Fazio
Ferraro
Findley
Fish
Fisher
Fithian
Flippo
Florio
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fowler
Frenzel
Frost
Garcia
Gaydos
Gialmo
Gibbons
Gilman
Gingrich
Ginn
Glickman
Gonzalez
Goodling
Gore
Gradison
Gramm
Grassley
Gray
Green
Grisham
Guarini
Gudger
Guyer
Hagedorn
Hall, Ohio
Hall, Tex.
Hamilton
Hammer-schmidt
Hance
Hanley
Harris
Harsha
Hawkins
Hefner
Heftel
Hightower
Hillis
Hinson
Hollenbeck
Holt
Hopkins
Horton
Howard
Hubbard
Huckaby
Hughes
Hutto
Hyde
Ichord
Ireland
Jacobs
Jeffords
Jeffries
Jenkins
Johnson, Calif.
Jones, Okla.
Jones, Tenn.
Kastenmeier
Kazen
Kelly
Kildee
Kindness
Kogovsek
Kramer
LaFalce
Lagomarsino
Latta
Leach, Iowa
Leach, La.
Leath, Tex.
Lederer
Lehman
Leland
Lent
Levitas
Lewis
Livingston
Lloyd
Loeffler
Long, La.
Long, Md.
Lott
Lowry
Lujan
Luken
Lundine
Lungren
McClory
McCormack
McDade
McDonald
McEwen
McHugh
McKay
McKinney
Madigan
Maguire
Markey
Marks
Marlenee
Marriott
Mathis
Matsui
Mavroules
Mica
Miller, Calif.
Miller, Ohio
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Murphy, Ill.
Murphy, N.Y.
Murphy, Pa.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nelson
Nichols
Nowak
O'Brien
Oakar
Oberstar
Obey
Ottinger
Panetta
Pashayan
Patten
Patterson
Pease
Pepper
Perkins
Petri
Peyser
Pickle
Preyer
Price
Pritchard
Pursell
Quayle
Quillen
Railsback
Rangel
Ratchford
Regula
Reuss
Rhodes
Richmond
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rose
Rostenkowski
Rousselot
Roybal
Royer
Rudd
Runnels
Russo
Sabo
Santini
Satterfield
Sawyer
Scheuer
Schulze
Seiberling
Sensenbrenner
Shannon
Sharp
Shelby
Shumway
Shuster
Simon
Skelton
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Solomon
Spellman
Spence
St Germain
Stack
Staggers
Stangeland
Stanton
Steed
Stenholm
Stewart
Stokes
Stratton
Studds
Stump
Swift
Symms
Synar
Tauke
Taylor
Thomas
Thompson
Traxler
Trible
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vento
Volkmer
Walgren
Walker
Wampler
Watkins
Waxman
Weaver
Weiss
White
Whitehurst
Whitley
Whittaker
Whitten
Williams, Ohio
Wilson, Bob
Wilson, C. H.
Winn
Wolff
Wolpe
Wright
Wyatt
Wydler
Wylie
Yatron
Young, Alaska
Young, Fla.
Young, Mo.
Zablocki
Zeferetti

NAYS—10

Beilenson
Benjamin
Hansen
Harkin
Jenrette
Martin
Mottl
Nolan
Wirth
Yates

ANSWERED "PRESENT"—1

Paul

NOT VOTING—45

Anderson, Ill.
Ashley
Barnard
Boggs
Bonker
Bowen
Breaux
Buchanan
Burton, John
Cleveland
Coelho
Conyers
Crane, Philip
Edgar
Fenwick
Flood
Fountain
Fuqua
Gephardt
Goldwater
Heckler
Holland
Holtzman
Johnson, Colo.
Jones, N.C.
Kemp
Kostmayer
Lee
McCloskey
Mattox
Mazzoli
Michel
Mikulski
Moorhead, Pa.
Rahall
Rosenthal
Roth
Schroeder
Sebelius
Snowe
Stark
Stockman
Treen
Williams, Mont.
Wilson, Tex.

□ 1520

The Clerk announced the following pairs:

Mr. Rahall with Mr. Anderson of Illinois.
Ms. Mikulski with Mr. Lee.
Mrs. Schroeder with Mr. Goldwater.
Mr. Ashley with Mr. Kemp.
Mrs. Boggs with Mrs. Snowe.
Mr. Coelho with Mr. Sebelius.
Mr. Mazzoli with Mr. Roth.
Mr. Breaux with Mr. McCloskey.
Mr. Conyers with Mrs. Heckler.
Mr. Kostmayer with Mrs. Fenwick.
Ms. Holtzman with Mr. Philip M. Crane.
Mr. Jones of North Carolina with Mr. Cleveland.
Mr. Gephardt with Mr. Buchanan.
Mr. Stark with Mr. Fountain.
Mr. Charles Wilson of Texas with Mr. Rosenthal.
Mr. Mattox with Mr. Moorhead of Pennsylvania.
Mr. Williams of Montana with Mr. Holland.
Mr. Fuqua with Mr. Bowen.
Mr. John L. Burton with Mr. Edgar.
Mr. Barnard with Mr. Bonker.

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

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MALFUNCTION IN ELECTRONIC VOTING SYSTEM LIGHT

Mr. THOMPSON. Mr. Speaker, due to a malfunction in a light on the display of Members names and not in the computer of the electronic voting system, I would like to explain to my colleagues why the light opposite the name of the gentlewoman from Colorado (Mrs. SCHROEDER), has been showing this afternoon.

I would like to assure the Members that the gentlewoman's name is not being recorded as having voted "aye," "nay," or "present." It is simply a light malfunction caused by a faulty relay. I would like to assure my colleagues that this is the situation.

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

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

Mr. BIAGGI. I appreciate what the gentleman stated. I have witnessed it in four consecutive votes.

The machine has indicated that the gentlewoman from Colorado (Mrs. SCHROEDER) has voted in the affirmative. We know she is in Cambodia. No one is even implying she is voting with her card or any wrongdoing, but the inescapable conclusion is that the mechanism is faulty. It is not infallible.

Mr. THOMPSON. I agree with the gentleman from New York (Mr. BIAGGI), there is no infallibility. However, assurances by me, the gentleman from North Carolina (Mr. ROSE), the gentleman from Michigan (Mr. STOCKMAN), and those responsible for the operation of the electronic voting system are that we will look into the matter and will report back to the House. It is clear that no votes have been recorded by the gentlewoman from Colorado. It is a simple electrical malfunction.

Mr. BIAGGI. If the gentleman will continue to yield, I could not agree with the gentleman more as far as the gentlewoman from Colorado is concerned, but in this instance, the machine proves to be fallible in that there was a lighting malfunction; but the fact that it is fallible in this instance means it could be fallible in another fashion or any other fashion.

Mr. THOMPSON. If the gentleman from New York (Mr. BIAGGI) has any other rollcalls about which he has questions, if the gentleman will be kind enough to transmit them to me or to the gentleman from North Carolina (Mr. ROSE), we will be glad to respond.

I simply am reassuring Members that no actual recording of the votes by the gentlewoman from Colorado have taken place. An electrical malfunction is responsible and will be corrected as soon as possible.

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

□ 1530

APPOINTMENT OF CONFEREES ON S. 751, NAVAJO-HOPI INDIANS RELOCATION AMENDMENTS ACT

Mr. UDALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 751) relating to the relocation of the Navajo Indians and the Hopi Indians, and for other purposes, with a House amendment thereto, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona? The Chair hears none and, without objection, appoints the following conferees: Messrs. UDALL, RUNNELS, MILLER of California, GUDGER, LUJAN, and MARRIOTT.

There was no objection.

DEPARTMENT OF DEFENSE APPROPRIATIONS, FISCAL YEAR 1980—MOTION TO CLOSE CONFERENCE

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

The Clerk read as follows:

Mr. ADDABBO moves, pursuant to rule XXVIII 6(a) of the House rules that the conference committee meetings between the House and the Senate on H.R. 5359, the fiscal year 1980 Department of Defense Appropriation bill, be closed to the public at such times as classified national security information is under consideration: *Provided however*, That any sitting Member of Congress shall have the right to attend any closed or open meeting.

The SPEAKER pro tempore. Does the gentleman from New York desire to speak on his motion?

Mr. ADDABBO. I do, Mr. Speaker.

The SPEAKER pro tempore. The Chair recognizes the gentleman from New York (Mr. ADDABBO).

Mr. ADDABBO. Mr. Speaker, this motion is required by the rules of the House and is the same motion which has been approved by the House previously. While we are conferring with the Senate on the Defense appropriation bill, a number of highly classified matters that cannot be discussed in open session will be considered. Of course, under the motion, all Members of Congress may attend any of the closed conference meetings.

I do not believe there is any controversy with regard to my motion and ask for a favorable vote.

The SPEAKER pro tempore. The Chair will inform the Members that under the rules the vote must be taken by the yeas and nays.

Voting will be by electronic device.

The vote was taken by electronic device, and there were—yeas 381, nays 0, answered "present" 3, not voting 49, as follows:

[Roll No. 654]

YEAS—381

Abdnor
Addabbo
Akaka
Albosta
Alexander
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Anthony
Applegate
Archer
Ashbrook
Aspin
Atkinson
AuCoin
Bafalis
Bailey
Baldus
Barnes
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Beilenson
Benjamin
Bennett
Bereuter
Bethune
Bevill
Biaggi
Bingham
Blanchard
Boland
Bolling
Boner
Bonior
Bouquard
Bowen
Brademas
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Ohio
Broyhill
Burgener
Burlison
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Cavanaugh
Chappell
Cheney
Chisholm
Clausen
Clinger
Coleman
Collins, Ill.
Collins, Tex.
Conable
Conte
Conyers
Corcoran
Corman
Cotter
Coughlin
Courter
Crane, Daniel
D'Amours
Daniel, Dan
Daniel, R. W.
Danielson
Dannemeyer
Daschle
Davis, Mich.
Davis, S.C.
de la Garza
Deckard
Dellums
Derrick
Derwinski
Devine
Dickinson
Dicks
Dingell
Dixon
Dodd
Donnelly
Dornan
Dougherty
Downey
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Eckhardt
Edwards, Ala.
Edwards, Calif.
Edwards, Okla.
Emery
English
Erdahl
Erlenborn
Ertel
Evans, Del.
Evans, Ga.
Evans, Ind.
Fary
Fascell
Fazio
Ferraro
Findley
Fish
Fisher
Fithian
Flippo
Florio
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fowler
Frenzel
Frost
Garcia
Gaydos
Giaimo
Gibbons
Gilman
Gingrich
Ginn
Glickman
Gonzalez
Goodling
Gore
Gradison
Gramm
Grassley
Gray
Green
Grisham
Guarini
Gudger
Guyer
Hagedorn
Hall, Ohio
Hall, Tex.
Hamilton
Hammerschmidt
Hance
Hanley
Hansen
Harkin
Harris
Harsha
Hawkins
Hefner
Heftel
Hightower
Hillis
Hinson
Hollenbeck
Holt
Hopkins
Horton
Howard
Hubbard
Huckaby
Hughes
Hutto
Hyde
Ichord
Ireland
Jacobs
Jeffords
Jeffries
Jenkins
Jenrette
Johnson, Calif.
Jones, Okla.
Jones, Tenn.
Kastenmeier
Kazen
Kelly
Kildee
Kindness
Kogovsek
Kramer
LaFalce
Lagomarsino
Latta
Leach, Iowa
Leach, La.
Leath, Tex.
Lederer
Lehman
Leland
Lent
Levitas
Lewis
Livingston
Lloyd
Loeffler
Long, La.
Long, Md.
Lott
Lowry
Lujan
Luken
Lundine
Lungren
McClory
McCormack
McDade
McDonald
McEwen
McHugh
McKay
McKinney
Madigan
Maguire
Markey
Marks
Marlenee
Marriott
Martin
Mathis
Matsui
Mavroules
Mica
Miller, Calif.
Miller, Ohio
Mineta
Minish
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Motti
Murphy, Ill.
Murphy, N.Y.
Murphy, Pa.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nelson
Nichols
Nowak
O'Brien
Oakar
Oberstar
Obey
Ottinger
Panetta
Pashayan
Patten
Patterson
Paul
Pease
Pepper
Perkins
Petri
Peyser
Pickle
Preyer
Price
Pritchard
Pursell
Quayle
Quillen
Railsback
Rangel
Ratchford
Regula
Reuss
Rhodes
Richmond
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rose
Rostenkowski
Rousselot
Roybal
Royer
Rudd
Runnels
Russo
Sabo
Satterfield
Sawyer
Scheuer
Schulze
Seiberling
Sensenbrenner
Shannon
Sharp
Shelby
Shumway
Shuster
Simon
Skelton
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Solomon
Spellman
Spence
St Germain
Stack
Staggers
Stangeland
Stanton
Stenholm
Stewart
Stokes
Stratton
Studds
Stump
Swift
Symms
Synar
Tauke
Taylor
Thomas
Traxler
Trible
Udall
Ullman
Vander Jagt
Vanik
Vento
Volkmer
Walgren
Walker
Wampler
Watkins
Waxman
Weaver
Weiss
White
Whitehurst
Whitley
Whittaker
Whitten
Williams, Mont.
Williams, Ohio
Wilson, Bob
Winn
Wirth
Wolff
Wolpe
Wright
Wyatt
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Mo.
Zablocki
Zeferetti

NAYS—0

ANSWERED "PRESENT"—3

Diggs
Mitchell, Md.
Van Deerlin

NOT VOTING—49

Anderson, Ill.
Ashley
Badham
Barnard
Boggs
Bonker
Breaux
Buchanan
Burton, John
Campbell
Clay
Cleveland
Coelho
Crane, Philip
Edgar
Fenwick
Flood
Fuqua
Gephardt
Goldwater
Heckler
Holland
Holtzman
Johnson, Colo.
Jones, N.C.
Kemp
Kostmayer
Lee
McCloskey
Mattox
Mazzoli
Michel
Mikulski
Moorhead, Pa.
Nolan
Rahall
Rosenthal
Roth
Santini
Schroeder
Sebelius
Snowe
Stark
Steed
Stockman
Thompson
Treen
Wilson, C. H.
Wilson, Tex.

□ 1540

So the motion was agreed to.

The result of the vote was announced as above recorded.

CONTINUING APPROPRIATIONS, 1980

Mr. WHITTEN. Mr. Speaker, pursuant to the order of the House on Friday last,

I call up the joint resolution (H.J. Res. 440) making further continuing appropriations for the fiscal year 1980, and for other purposes, for consideration in the House as in the Committee of the Whole.

The Clerk read the title of the joint resolution.

The Clerk read the joint resolution, as follows:

H.J. RES. 440

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of the Government for the fiscal year 1980, and for other purposes, namely:

SEC. 101. (a)(1) Such amounts as may be necessary for continuing projects or activities (not otherwise specifically provided for in this joint resolution) which were conducted in the fiscal year 1979 and for which appropriations, funds or other authority would be available in the following appropriation Acts:

Foreign Assistance and Related Programs Appropriations Act, 1980, notwithstanding section 10 of Public Law 91-672, and section 15(a) of the Act entitled, "An Act to provide certain basic authority for the Department of State", approved August 1, 1956, as amended;

Department of the Interior and Related Agencies Appropriation Act, 1980; and

Military Construction Appropriation Act, 1980.

(2) Appropriations made by this subsection shall be available to the extent and in the manner which would be provided by the pertinent appropriation Act.

(3) Whenever the amount which would be made available or the authority which would be granted under an Act listed in this subsection as passed by the House as of October 1, 1979, is different from that which would be available or granted under such Act as passed by the Senate as of October 1, 1979, the pertinent project or activity shall be continued under the lesser amount or the more restrictive authority.

(4) Whenever an Act listed in this subsection has been passed by only one House as of October 1, 1979, or where an item is included in only one version of an Act as passed by both Houses as of October 1, 1979, the pertinent project or activity shall be continued under the appropriation, fund, or authority granted by the one House, but at a rate for operations not exceeding the current rate or the rate permitted by the action of the one House, whichever is lower, and under the authority and conditions provided in applicable appropriation Acts for the fiscal year 1979: *Provided,* That no provision which is included in an appropriation Act enumerated in this subsection but which was not included in the applicable appropriation Act of 1979, and which by its terms is applicable to more than one appropriation, fund, or authority shall be applicable to any appropriation, fund, or authority provided in the joint resolution unless such provision shall have been included in identical form in such bill as enacted by both the House and the Senate.

(b) Such amounts as may be necessary for continuing projects or activities which were conducted in fiscal year 1979 for which provision was made in the Department of Defense Appropriation Act, 1979, at a rate of operations not in excess of the current rate or the rate provided in the budget estimate, whichever is lower, and under the more restrictive authority.

(c) Such amounts as may be necessary for continuing the following activities, not otherwise provided for, which were conducted in fiscal year 1979, but at a rate for operations not in excess of the current rate:

activities under the Domestic Volunteer Service Act;

activities for support of nursing research under section 301 of the Public Health Service Act;

activities for support of nursing fellowships and for support of training programs and program support related to alcoholism under sections 301, 303, and 472 of the Public Health Service Act;

activities under section 789 and titles VIII, XII, XV, and XVII of the Public Health Service Act, except that activities under title XV of the Public Health Service Act shall be conducted at not to exceed an annual rate for obligations of $169,717,000;

activities under sections 204 and 213 of the Community Mental Health Centers Act;

activities under title IV of the Drug Abuse Office and Treatment Act;

activities under titles III and V of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act;

activities under section 2 of the Indochina Migration and Refugee Assistance Act;

activities of the National Board for the Promotion of Rifle Practice;

activities of the Federal Trade Commission: *Provided,* That none of the funds made available by this joint resolution for the Federal Trade Commission may be used for the final promulgation of trade regulation rules authorized by section 18 of the Federal Trade Commission Act, as amended, nor to initiate any new activities: *Provided further,* That no new trade regulation rules promulgated under the authority of section 18 of the Federal Trade Commission Act, as amended, are to become effective during the period covered by this joint resolution for the Federal Trade Commission: *Provided further,* That notwithstanding the provisions of section 102(c) of this joint resolution, the authority and funds made available herein shall remain available only until March 31, 1980;

activities under the Omnibus Crime Control and Safe Streets Act of 1968, as amended, except that such activities shall be continued at a rate of operations not in excess of appropriations contained in the Department of Justice Appropriation Act, 1980, for the Office of Justice Assistance, Research, and Statistics;

activities of the Economic Development Administration; and

activities of the Regional Action Planning Commissions.

(d) Notwithstanding the funding rates provided for in section 101(a), activities of the Department of State for Migration and Refugee Assistance shall be funded at not to exceed an annual rate for obligations of $456,241,000, notwithstanding section 15(a) of the Act entitled, "An Act to provide certain basic authority for the Department of State", approved August 1, 1956, as amended, and section 10 of Public Law 91-672.

(e) Such amounts as may be necessary for projects or activities which were conducted in fiscal year 1979 and for which provision was made in the Department of Transportation and Related Agencies Appropriation Act, 1979, or chapter X of the Supplemental Appropriations Act, 1979, at a rate of operations not in excess of the current rate or the rate provided in the budget estimate, whichever is lower, and under the more restrictive authority: *Provided,* That the Panama Canal Commission is authorized to incur obligations at the rate of operations, and to the extent and in the manner provided for in H.R. 4440 as passed the House of Representatives on September 18, 1979, to meet operational and capital requirements of the Panama Canal in conformance with applicable legislation and the Panama Canal Treaty of 1977, notwithstanding the provisions of section 106 of this joint resolution: *Provided further,* That the Interstate Commerce Commission is authorized to incur obligations for payments for directed rail service at the rate of operations and to the extent and manner provided for in H.R. 4440 as passed by the House of Representatives on September 18, 1979.

(f) Such amounts as may be necessary for the programs or activities of the Federal Inspector for the Alaska Gas Pipeline, at a rate of operations not in excess of 35 per centum of the fiscal year 1980 budget estimate.

(g) Such amounts as may be necessary for projects or activities provided for in the Departments of Labor, and Health, Education, and Welfare and Related Agencies Appropriation Act, 1980 (H.R. 4389), at a rate of operations, and to the extent and in the manner, provided for in such Act as adopted by the House of Representatives on August 2, 1979, notwithstanding the provisions of section 106 of this joint resolution.

SEC. 102. Appropriations and funds made available and authority granted pursuant to this joint resolution shall be available from November 20, 1979, and shall remain available until (a) enactment into law of an appropriation for any project or activity provided for in this joint resolution, or (b) enactment of the applicable appropriation Act by both Houses without any provision for such project or activity, or (c) September 30, 1980, whichever first occurs.

SEC. 103. Appropriations and funds made available or authority granted pursuant to this joint resolution may be used without regard to the time limitations for submission and approval of apportionments set forth in section 665(d)(2) of title 31, United States Code, but nothing herein shall be construed to waive any other provision of law governing the apportionment of funds.

SEC. 104. Appropriations made and authority granted pursuant to this joint resolution shall cover all obligations or expenditures incurred for any project or activity during the period for which funds or authority for such project or activity are available under this joint resolution.

SEC. 105. Expenditures made pursuant to this joint resolution shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 106. No appropriation or fund made available or authority granted pursuant to this joint resolution shall be used to initiate or resume any project or activity for which appropriations, funds, or other authority were not available during the fiscal year 1979.

SEC. 107. None of the funds contained in this Act shall be used for the reorganization of the Alaska Railroad Office of the Chief Counsel, Office of Real Estate or Office of Financial Planning, or for the consolidation of those Offices into the Office of the Alaska Railroad General Manager.

SEC. 108. All obligations incurred in anticipation of the appropriations and authority provided in this joint resolution are hereby ratified and confirmed if otherwise in accordance with the provisions of this joint resolution.

SEC. 109. Notwithstanding any other provision of this joint resolution except section 102, none of the funds provided by this joint resolution shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term.

The SPEAKER pro tempore. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: On page 5, line 21, in the paragraph applicable to the Federal Trade Commission, at the end of the second proviso and before the colon which follows, insert ", unless authorizing legislation for the Federal Trade Commission is enacted into law during such period".

The committee amendment was agreed to.

Mr. WHITTEN. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I am pleased to report to my colleagues that considerable progress has been made in clearing appropriations bills since the previous continuing resolution was passed.

The appropriation bills for Agriculture, District of Columbia, Energy and Water, HUD-Independent Agencies, State-Justice, and Treasury-Postal Service have all been enacted. The Interior bill is awaiting the President's signature. The conference report on Transportation has been filed and will be taken up some time this week. The Legislative bill has, in effect, been enacted through the previous continuing resolution. Foreign Aid is in conference. Conferees were appointed today on the Defense bill and we expect the military construction bill to be on the Senate floor today.

This continuing resolution follows the basic form and concept of similar resolutions in prior years. The philosophy of the continuing resolution is to provide minimum funding for the orderly continuation of existing programs for the interim period until regular appropriation bills are enacted.

Mr. Speaker, this resolution differs in only a few regards from the one which is soon to expire. First, it excludes those programs included in appropriation bills enacted since the last resolution. Second, this resolution remains in effect for the entire fiscal year 1980 or until applicable appropriations bills are enacted. Lastly, a provision has been added to prohibit any FTC trade regulation promulgated under the authority of the Magnuson-Moss Act prior to October 1, 1979, but with an effective date after November 20, 1979, from going into effect during the period of the resolution unless FTC authorization is enacted during that time. This preserves for Congress the opportunity to exercise its will with regard to trade regulation restrictions. The resolution provides that the authority and funds made available for the FCC shall remain available only until March 31, 1980. This will allow time for the legislative committee to get together without preempting their decisions here.

May I say that with regard to the Federal Trade Commission, for several years now there has been no authorization for that Commission. It has no authority in law at this time. The only authority has been by act of the Congress and approving the appropriation bills which carried it forward. Apparently there are differences between the members on the legislative committee as to what the authority and what the directives from the Congress to that Commission should be. For the Committee on Appropriations to carry in detail these proposals for increasing its authority or decreasing its authority or passing on matters involving the proper function of that Commission in the Government would not be appropriate: I, for one, believe it is highly essential that we have the Federal Trade Commission and the Committee on Appropriations has kept it alive.

In this resolution we have exercised our judgment as to how best to keep it alive under the present circumstances. We do not fall into the mistake of trying to write a basic law as important as one authorizing the Federal Trade Commission. For these reasons we have provided a limitation but we provide that they would be kept going until March 31. That will give ample time to resolve the other problems in the authorizing legislation.

I would also state, Mr. Speaker, that in the 13 regular appropriations for 1980, we are presently some $10 billion under the President's budget. That is on the basis of budget authority and counts the enacted version of 7 bills and the House-passed version of the remaining six bills which are either in conference, pending in the Senate, or awaiting the President's signature. We have shown further restraint in dealing with other appropriations business by reducing the 1979 supplemental by some $3.2 billion and by rescinding some $700 plus million of budget authority in a separate measure. Your Committee on Appropriations is very proud of the job that we have done in the way of holding down appropriations. But most of the laws that we have on the statute books have built-in escalating clauses to offset inflation and thus feed further inflation. Where the appropriation process is bypassed by these entitlement provisions, it does not leave us much to work with.

May I say to my colleagues, however, that in the continuing resolution that we have before us, the rates of operation provided for are far less than the amounts contained in the regular bills. For instance, on the Defense bill the rate under the continuing resolution is about $11 billion under the House-passed bill and about $13 billion under the Senate passed bill. For foreign assistance, the continuing resolution is about $700 million under the House passed bill and about $1 billion under the Senate passed bill. The regular bills will subsequently be enacted but the continuing resolution provides a restrictive rate in the interim.

I want the Members to know that this resolution will keep the wheels turning; this will keep the government in business; this will keep the programs going. It is very, very essential. We have hospitals and schools and other very necessary functions that have to be covered.

In working on this resolution I have had the splendid help of my colleague, the gentleman from Massachusetts (Mr. CONTE) and all of the other members of the Committee on Appropriations. The Committee on Rules and our other colleagues have been very cooperative with us. We appreciate it very much.

Mr. Speaker, we are keenly aware of our dangerous economic situation. We continue to strenuously work with our friends in the other body to hold down Federal expenditures in appropriations bills while responsibly meeting the needs of our people. Passage of this resolution is essential in order that we may resolve those matters still pending and continue the operation of our Government in an orderly and fiscally responsible manner.

Mr. SLACK. Mr. Speaker, section 101 (c) of the resolution includes continuing authority for the Federal Trade Commission until March 31, 1980. This provision prohibits final promulgation of any trade regulation rules authorized by section 18 of the Federal Trade Commission Act or initiation of any new activities. In addition to these two restrictions which were contained in the previous continuing resolution for fiscal year 1980, House Joint Resolution 440 includes a provision which would prohibit any new trade regulation rule promulgated under section 18 of the Federal Trade Commission Act from becoming effective during the period covered by the resolution for the FTC unless authorizing legislation is enacted for the FTC during such period.

The purpose of the new restriction is to prohibit any trade regulation rule promulgated under the authority of the Magnuson-Moss Act prior to October 1, 1979, but with an effective date after November 20, 1979, from going into effect during the period covered by the new resolution for the FTC unless authorizing legislation is enacted during that time. This provision would give the Congress the opportunity to consider any legislative restrictions with respect to such trade regulation rules during consideration of the FTC authorization before such rules go into effect.

By proposing an additional restriction on the trade regulation rulemaking activities of the FTC and an extension of the termination date for the Commission only until March 31, 1980, the committee also wishes to reemphasize its concern expressed previously about the lack of legislative authorization for the Federal Trade Commission. The authorization for appropriations for the FTC expired at the end of fiscal year 1977 and no authorization has been enacted since that time. Despite this lack of authorization, the committee recommended and the Congress provided appropriations for the FTC in the regular, annual appropriation bills for fiscal years 1978 and 1979, not in continuing resolutions. So for 2 years the Appropriations Committee has made it possible for the FTC to remain in existence, otherwise there would be no FTC. This committee has kept the FTC alive through appropriations bills notwithstanding the lack of authorization.

For the reasons I have just discussed, the committee believes it is essential that the long-delayed authorization be passed by the House and Senate and enacted into law before a regular appropriation for the FTC is provided by the Congress for fiscal year 1980. Although some prog-

ress has been made on the FTC authorization, a bill still has not been enacted into law. The committee expects that the legislative committees of the House and Senate with jurisdiction over the FTC will continue to seek enactment of such legislation and that the administration will cooperate fully in expediting its passage.

Mr. CONTE. Mr. Speaker, I rise in support of the continuing resolution.

Mr. Speaker, at the outset I want to take this opportunity to thank my chairman, the gentleman from Mississippi (Mr. WHITTEN). We have worked very closely, not only on this piece of legislation but on all legislation appearing before the Committee on Appropriations.

Mr. Speaker, I speak to my colleagues today in support of House Joint Resolution 440, the second continuing resolution for 1980.

With the exception of the Federal Trade Commission, the joint resolution continues appropriations through the end of the fiscal year for programs and activities where the appropriation bill has not been enacted, or where an appropriation was not included due to lack of authorization.

The activities covered, and the rate of continuing appropriations in each case, are as follows:

Activities covered by the Defense bill are continued at the budget rate or the current rate.

The National Board for the Promotion of Rifle Practice is continued at the current rate.

Activities covered by the foreign assistance bill are continued at the current rate, or the rate provided in the House bill.

Appropriations for refugee and migration assistance are continued at $456 million, the level provided in the House bill.

Activities covered by the Interior bill are continued at the House or the current rate:

An appropriation for the Federal Inspector for the Alaska Gas Pipeline is provided at a rate of $5.1 million.

Activities covered by the Labor-HEW bill are continued at the rate provided in the conference report as passed the House. In addition:

Unauthorized activities are continued at the current rate, except for Health Planning and Resource Development activities, which are continued at a level of $169.7 million.

Appropriations for Indochina migration and refugee assistance are continued at the current rate.

Activities covered by the military construction bill are continued at the House rate or the current rate.

The following activities under the State-Justice-Commerce-Judiciary bill are continued:

Activities of the Federal Trade Commission are continued at the current rate through March 31, 1980.

This provides the FTC with an appropriation of $64.7 million, compared with a budget request of $69 million.

During the period covered by the continuing resolution, the FTC shall not finally promulgate any trade regulation rules or initiate any new activities, and no new trade regulation rules are to become effective unless authorization for the FTC has been enacted.

This action is not intended to provide any final judgment or restraint on the activities of the FTC, but rather to insure that we maintain the status quo until authorizing legislation has been enacted.

Activities of the Economic Development Administration and the Regional Action Planning Commissions are continued at the current rate.

Activities of LEAA under the Omnibus Crime Control and Safe Streets Act are continued at the rate provided for OJARS in the 1980 Appropriations Act.

Activities covered by the Transportation bill are continued at the current rate or the budget rate. In addition,

The Panama Canal Commission is continued at the rate provided in the House bill.

The ICC is authorized to pay for directed rail service at the rate provided in the House bill.

Certain restrictions are placed on the reorganization of the Alaska Railroad Office.

I would like to call to the attention of my colleagues some other special provisions of the continuing resolution.

We are all gravely concerned about the tragic situation in Cambodia.

Under existing law, and with the continuing appropriation available under this joint resolution, $39 million is available for assistance to the people of that country.

This amount is sufficient for the immediate future. An additional $30 million has been agreed to by the conferees on the foreign assistance bill, and the total of $69 million which would be available when that bill becomes law will be sufficient for the requirements as we now see them.

You may be assured that our committee will act promptly to provide any additional funds that may be required.

The joint resolution as reported contains the abortion language which passed the House in the Labor-HEW bill. This language applies to all funds made available by the joint resolution.

Each Member will vote his conscience on this difficult issue, and I am sure that we will be considering different abortion language within the next few days.

However, I do urge my colleagues: However you vote on this issue, vote to pass the joint resolution.

The business of the Federal Government must go on, and billions of dollars for important Federal programs should not be held hostage for any single issue.

□ 1600

AMENDMENT OFFERED BY MR. BAUMAN

Mr. BAUMAN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BAUMAN: On page 2, line 22, strike the period, insert a colon, and add the following: "*Provided,* That none of the funds made available by this joint resolution for Foreign Assistance and Related Programs shall be used for military or economic aid for Iran."

And on page 9, after line 22, insert the following new section:

"SEC. 110. Notwithstanding any other provision of this joint resolution, except section 102, none of the funds provided by this joint resolution shall be used for military or economic aid for Iran."

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

Mr. BAUMAN. Yes; I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Speaker, I have just read the amendment and I see no reason not to agree with it at this time. Should there be something with which I am not familiar, doubtless it could be straightened out in the other body. Speaking for myself, there is no objection to accepting the amendment on this side.

Mr. BAUMAN. Mr. Speaker, I appreciate the support of the gentleman from Mississippi, the distinguished chairman of the Appropriations Committee.

This amendment, simply and very flatly, cuts off any possibility of military or economic aid for the nation of Iran. I think that in carrying out the policy of the President, who I understand has already ordered the stopping of any existing aid in the pipeline, that the Congress of the United States has a concomitant duty to make it very plain that we also will not approve of any such assistance of any nature, until such time as perhaps we might reconsider upon the release of the hostages being held in Iran.

The Congress to date has not had a chance to express itself on this issue and I think a vote on this will make it plain to those who are in charge, if indeed there is a government in Iran, that the Congress joins the American people in saying, "We have had it up to here in being pushed around by Iran and its fanatic leaders." In speaking for the American people we represent, we will not permit any aid to these terrorists.

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

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

Mr. CONTE. Mr. Speaker, I want to point out to my colleague that as the ranking member on the Appropriations Committee, we certainly support this amendment. At the present time, to the best of my knowledge, there is no economic or military aid going to Iran, except for the UNDP program.

We support the amendment.

Mr. LONG of Maryland. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to my colleague, the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Speaker, I just wanted to say to the gentleman, I am sure the gentleman realizes this is an empty amendment, that there is no economic or military aid going to Iran at the present time except for a relatively small amount for the U.N. development program for a multiyear operation. There are other problems, I might point

out, that we ought to be dealing with and I hope we can deal with them at a later time when we are not within the constraints of a continuing resolution, such as large sums of money that Iran still owes to the United States and the possibility of large assets that Iran has in the United States.

As chairman of the Committee on Foreign Operations, I would like to look into that, but we cannot do it here.

Mr. BAUMAN. Mr. Speaker, I would say that this amendment not only goes to foreign assistance and related programs, but any program that this continuing resolution may cover and any form of assistance that may be provided to Iran. It is not by any means an empty amendment. It is my information that this bill contains at least $20 million in aid for Iran which will go through the United Nations. My amendment will cut that off. I am surprised my colleague from Maryland does not know this is in the bill since he is chairman of the Foreign Aid Subcommittee.

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

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

Mr. VOLKMER. Mr. Speaker, as I understand, the foreign assistance bill has not been passed, and that is part of the continuing resolution.

Mr. BAUMAN. That is correct.

Mr. VOLKMER. It is also my understanding under the funds that go to the various banks under the bill, there have been loans made to Iran so that they can purchase items in this country.

Mr. BAUMAN. I understand that is correct.

Mr. VOLKMER. The gentleman's amendment would prevent that, so that we could not during this time of crisis provide any form of assistance to Iran.

Mr. BAUMAN. I do not want to give them one red cent, including loans and my amendment prevents that.

Mr. VOLKMER. Mr. Speaker, I agree wholeheartedly, and support the amendment.

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

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

Mr. WOLFF. Mr. Speaker, we have heard that we are not giving direct assistance to Iran under this particular piece of legislation.

I wonder if the gentleman knows, and others in the House know, that there are 274 Iranian pilots and naval personnel in training in the United States at the present time. I think they should be shipped home. This training should be terminated immediately.

Mr. BAUMAN. Mr. Speaker, I concur in the gentleman's suggestion and I think until we make it plain that the American people and their representatives will not put up any further with this type of treatment, it is likely to continue. I do not happen to believe that dealing from a quiet position of weakness is going to convince anyone, and this is a statement by the Congress of the United States of our position on this major issue.

Mr. Speaker, I urge support for the amendment.

Mr. CONTE. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I certainly do not want the record to be muddled up on this issue about all these personnel being trained here. They are paying for this training, so this amendment does not touch them at all. We should address that issue in authorizing legislation.

There is no aid, economic or military or in the World Bank, going there, except for the UNDP. The World Bank has been out of Iran for about 5 years now.

Mr. Speaker, again, we strongly support the amendment.

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

Mr. CONTE. Yes, gladly.

Mr. WOLFF. Mr. Speaker, the gentleman mentioned that we are not paying for the training. Although we are not paying directly for the training, it seems inconceivable to me that our Nation would train foreign military personnel, when that foreign nation is acting in an adversary position to the United States.

Mr. CONTE. I agree completely with the gentleman, but this amendment does not touch that. We will have to deal with that separately.

Mr. WOLFF. Today, I will introduce a resolution urging the termination of all military training of Iranians. I hope the gentleman will support the resolution.

Mr. CONTE. I just do not want the gentleman to get the wrong conception. There is no military, economic or World Bank aid going to Iran, except for the UNDP. We are dead set against giving any such aid. We join with the gentleman from Maryland.

Mr. VOLKMER. Mr. Speaker, will the gentleman yield on that point?

Mr. CONTE. Yes.

Mr. VOLKMER. Mr. Speaker, it is my understanding earlier from information I had received in my office when I investigated this, that there was money going to Iran by way of loans in order to specifically purchase products from this country. If that is erroneous, I will check it out; but I think it is wise to have this amendment.

Mr. Speaker, I strongly support the amendment to insure that no aid will go to Iran.

Mr. BAUMAN. Mr. Speaker, if the gentleman will yield, this guarantees there will be none in the future and no discretion remains.

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

Mr. CONTE. I will be glad to yield to the gentleman from Washington.

Mr. DICKS. Mr. Speaker, I think the gentleman is absolutely correct. This is a good opportunity for the House of Representatives to indicate to the Iranians and to the world community how we feel about this issue.

I am certain there is some money somewhere being spent on Iran and this would stop it.

Mr. CONTE. Mr. Speaker, this amendment puts the House on record that we are very upset about what is happening in Iran. For that I commend the gentleman from Maryland (Mr. BAUMAN) for initiating the amendment. I want the record to be very clear on that.

While this continuing resolution may not be the best vehicle due to its temporary nature, it is important that we take this opportunity to stand with our President now to demonstrate our firm resolve as a united nation. Americans are just plain mad—as mad as I have witnessed during my service in the House. I hope we will have a recorded vote on this amendment, and that it will be adopted unanimously. In casting this vote, we will demonstrate to Iran that our constituents are outraged at the barbarian actions in Teheran.

Mr. YOUNG of Florida. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to my good friend, the gentleman from Florida, the ranking member of the Foreign Operations Subcommittee.

Mr. YOUNG of Florida. Mr. Speaker, I thank the gentleman for yielding.

I would like to respond to the gentleman from Washington, that there is money in this bill that will go to Iran through the United Nations development program.

As the gentleman from Massachusetts (Mr. CONTE) said earlier, there is a $20 million 5-year program for technological development in Iran through the United Nations development program.

Hopefully, the amendment of the gentleman from Maryland (Mr. BAUMAN) will get to that.

Mr. DICKS. Mr. Speaker, I think that is a very good reason and I think we ought to go ahead and get a record vote on this.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Maryland (Mr. BAUMAN).

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

Mr. BAUMAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 379, nays 0, not voting 54, as follows:

[Roll No. 655]

YEAS—379

Abdnor	Bennett	Cavanaugh
Addabbo	Bereuter	Chappell
Akaka	Bethune	Cheney
Albosta	Bevill	Chisholm
Alexander	Biaggi	Clausen
Ambro	Bingham	Clay
Anderson, Calif.	Blanchard	Clinger
Andrews, N.C.	Boland	Coleman
Andrews, N. Dak.	Bolling	Collins, Ill.
Annunzio	Boner	Collins, Tex.
Anthony	Bonior	Conable
Applegate	Bouquard	Conte
Archer	Bowen	Conyers
Ashbrook	Brademas	Corcoran
Aspin	Brinkley	Corman
Atkinson	Brodhead	Cotter
AuCoin	Brooks	Coughlin
Bafalis	Broomfield	Courter
Bailey	Brown, Calif.	Crane, Daniel
Baldus	Brown, Ohio	D'Amours
Barnes	Broyhill	Daniel, Dan
Bauman	Burgener	Daniel, R. W.
Beard, R.I.	Burlison	Danielson
Beard, Tenn.	Burton, Phillip	Daschle
Bedell	Butler	Davis, Mich.
Beilenson	Byron	Davis, S.C.
Benjamin	Carney	de la Garza
	Carr	Deckard
	Carter	Derrick

Derwinski
Devine
Dickinson
Dicks
Dingell
Dixon
Dodd
Donnelly
Dornan
Dougherty
Downey
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Edwards, Ala.
Edwards, Calif.
Edwards, Okla.
Emery
English
Erdahl
Erlenborn
Ertel
Evans, Ga.
Evans, Ind.
Fary
Fascell
Fazio
Ferraro
Findley
Fish
Fisher
Fithian
Flippo
Florio
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fowler
Frenzel
Frost
Garcia
Gaydos
Giaimo
Gibbons
Gilman
Gingrich
Ginn
Glickman
Gonzalez
Goodling
Gore
Gradison
Gramm
Grassley
Gray
Green
Grisham
Guarini
Gudger
Guyer
Hall, Ohio
Hall, Tex.
Hamilton
Hammer-schmidt
Hance
Hanley
Hansen
Harkin
Harris
Harsha
Hawkins
Hefner
Heftel
Hightower
Hillis
Hinson
Hollenbeck
Holt
Hopkins
Horton
Howard
Hubbard
Huckaby
Hughes
Hutto
Hyde
Ichord
Ireland
Jacobs
Jeffords
Jeffries
Jenkins
Jenrette
Johnson, Calif.
Jones, Okla.
Jones, Tenn.
Kastenmeier
Kazen
Kelly
Kildee
Kindness
Kogovsek
Kramer
LaFalce
Lagomarsino
Latta
Leach, Iowa
Leach, La.
Leath, Tex.
Lederer
Lehman
Leland
Lent
Levitas
Lewis
Livingston
Lloyd
Loeffler
Long, La.
Long, Md.
Lott
Lowry
Lujan
Luken
Lundine
Lungren
McClory
McCormack
McDade
McDonald
McEwen
McHugh
McKay
Madigan
Maguire
Markey
Marks
Marlenee
Marriott
Martin
Mathis
Matsui
Mavroules
Mica
Miller, Calif.
Miller, Ohio
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Mottl
Murphy, Ill.
Murphy, N.Y.
Murphy, Pa.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Nedzi
Nelson
Nichols
Nolan
Nowak
O'Brien
Oakar
Oberstar
Obey
Ottinger
Panetta
Pashayan
Patten
Patterson
Paul
Pease
Pepper
Perkins
Petri
Peyser
Pickle
Preyer
Price
Pritchard
Pursell
Quayle
Quillen
Railsback
Rangel
Ratchford
Regula
Reuss
Rhodes
Richmond
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rose
Rostenkowski
Roybal
Royer
Rudd
Runnels
Russo
Sabo
Satterfield
Sawyer
Scheuer
Seiberling
Sensenbrenner
Shannon
Sharp
Shelby
Shumway
Shuster
Simon
Skelton
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
St Germain
Stack
Staggers
Stangeland
Stanton
Steed
Stenholm
Stewart
Stockman
Stokes
Stratton
Studds
Stump
Swift
Symms
Synar
Tauke
Taylor
Thomas
Thompson
Traxler
Trible
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vento
Volkmer
Walgren
Walker
Wampler
Watkins
Waxman
Weaver
Weiss
White
Whitehurst
Whitley
Whittaker
Whitten
Williams, Mont.
Williams, Ohio
Wilson, Bob
Wilson, C. H.
Winn
Wirth
Wolff
Wolpe
Wright
Wyatt
Wydler
Wylie
Yates
Yatron
Young, Fla.
Young, Mo.
Zablocki
Zeferetti

NAYS—0

NOT VOTING—54

Anderson, Ill.
Ashley
Badham
Barnard
Boggs
Bonker
Breaux
Buchanan
Burton, John
Campbell
Cleveland
Coelho
Crane, Philip
Dannemeyer
Dellums
Diggs
Eckhardt
Edgar
Evans, Del.
Fenwick
Flood
Fuqua
Gephardt
Goldwater
Hagedorn
Heckler
Holland
Holtzman
Johnson, Colo.
Jones, N.C.
Kemp
Kostmayer
Lee
McCloskey
McKinney
Mattox
Mazzoli
Michel
Mikulski
Neal
Rahall
Rosenthal
Roth
Rousselot
Santini
Schroeder
Schulze
Sebelius
Snowe
Solomon
Stark
Treen
Wilson, Tex.
Young, Alaska

□ 1620

The Clerk announced the following pairs:

Mr. Eckhardt with Mr. Anderson of Illinois.
Mr. Diggs with Mr. Badham.
Ms. Holtzman with Mr. Buchanan.
Mr. Coelho with Mrs. Heckler.
Mr. Fuqua with Mr. Kemp.
Mr. Gephardt with Mr. McCloskey.
Mr. Dellums with Mr. Young of Alaska.
Mr. Rahall with Mr. Solomon.
Mr. Rosenthal with Mrs. Snowe.
Ms. Mikulski with Mr. Rousselot.
Mr. Neal with Mr. Sebelius.
Mr. Santini with Mr. Roth.
Mr. Mattox with Mr. McKinney.
Mrs. Schroeder with Mr. Evans of Delaware.
Mr. Kostmayer with Mrs. Fenwick.
Mr. Holland with Mr. Goldwater.
Mrs. Boggs with Mr. Hagedorn.
Mr. Breaux with Mr. Schulze.
Mr. John L. Burton with Mr. Cleveland.
Mr. Edgar with Mr. Campbell.
Mr. Bonker with Mr. Philip M. Crane.
Mr. Barnard with Mr. Dannemeyer.
Mr. Ashley with Mr. Lee.
Mr. Jones of North Carolina with Mr. Mazzoli.
Mr. Stark with Mr. Charles Wilson of Texas.

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

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. LEVITAS

Mr. LEVITAS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEVITAS: Page 6, line 2, strike out "March 31, 1980" and insert in lieu thereof "February 15, 1980."

Mr. LEVITAS. Mr. Speaker, I ask unanimous consent to modify the amendment by changing the word "February" to the word "March."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

(Mr. LEVITAS asked and was given permission to revise and extend his remarks.)

Mr. LEVITAS. Mr. Speaker, the purpose of this amendment is to shorten the period for which the Federal Trade Commission will be appropriated funds.

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

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

Mr. WHITTEN. Mr. Speaker, may I say that I have discussed this with the gentleman and the chairman of the subcommittee. I personally have no objection to the amendment as offered. I cannot speak for all my colleagues on the committee because I have not talked to them about it.

Mr. LEVITAS. I thank the gentleman.

Mr. CONTE. Mr. Speaker, will the gentleman yield.

Mr. LEVITAS. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Speaker, I have discussed the amendment with the gentleman in the well before he offered it, and I have no objection to the amendment.

Mr. LEVITAS. I thank the gentleman.

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

Mr. LEVITAS. I yield to the gentleman from Washington.

Mr. DICKS. I thank the gentleman for yielding.

Mr. Speaker, it certainly seems to me to be a reasonable compromise. I share the concern of both the gentleman in the well and the concern of the subcommittee chairman, the gentleman from West Virginia (Mr. SLACK), regarding the fact that this bill just does not seem to get on the calendar and finally acted on.

I am told that the bill is going to be up tomorrow and we can get it passed in the House, and I hope that the leadership will follow through on that promise.

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

Mr. Speaker, I have received assurances from the leadership that this bill, the FTC authorization bill, will be voted on in the House tomorrow. I hope that we can rely upon those assurances.

This particular situation is really a disgrace. There has been no authorization for the FTC for over 2 years now. We defeated the FTC authorization last year. This year the FTC authorization bill, containing a legislative veto provision, was reported out on May 14 but for some strange reason has not been voted on. The only reason FTC is still alive is that the Appropriations Committee has passed continuing resolutions to keep it going. I know the great difficulty under which the Appropriations Committee has been working. I know the chairman of the Appropriations Subcommittee shares my concern and the chairman of the full committee. I commend them for what they have done under very adverse circumstances.

I hope that by the acceptance of this amendment we will communicate a message to the leadership and to the other body that the time has come to fish or cut bait and get this authorization bill before the Congress and act on it one way or another.

Furthermore, after the time period for continuing the FTC in this amendment, I certainly hope and expect that there will be no further funding of the FTC—not a single penny—until there is an authorization bill signed into law.

Mr. DICKS. If the gentleman will yield, I totally agree with the gentleman. I think it is time to get this bill up and to vote on it.

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

Mr. LEVITAS. I yield to the gentleman from West Virginia.

Mr. SLACK. I thank the gentleman for yielding.

Mr. Speaker, I have no objection at all to the March 15 date. But let me

say to the gentleman that they have not been funded through a continuing resolution for 2 years. They have been funded through an appropriation for 2 years. What I am saying is simply this: The Appropriations Committee has carried the Federal Trade Commission for 2 years.

Mr. LEVITAS. Mr. Speaker, the gentleman is absolutely correct. I do not think it is fair to the Appropriations Committee. I do not think it is fair to the Congress. I think the time has come for this Congress to work its will and define the role of the FTC through the proper process of an authorization bill, and I certainly hope and trust that this amendment will aid the Appropriations Committee in its efforts in dealing with the other body.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Georgia (Mr. LEVITAS), as modified.

The amendment, as modified, was agreed to.

□ 1630

AMENDMENT OFFERED BY MR. ASHBROOK

Mr. ASHBROOK. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASHBROOK: On page 9, after line 22 insert the following new section:

"SEC. 110. Notwithstanding any other provision of this joint resolution, none of the funds provided by this joint resolution shall be used to provide any direct or indirect economic support for any individual present in the United States in violation of any immigration and nationality law."

Mr. ASHBROOK. Mr. Speaker, this is a very short four-line amendment, one sentence. I think most of us, as we go home, have our constituents asking us why do we not try to do something about the illegal alien situation in our country. We all talk about it. We rarely do anything.

This amendment is drafted with one idea in mind and it is the product of many of us. I know the gentleman from New York (Mr. SOLOMON) had to leave. He was one of the codrafters of this amendment. Many of us believe the time has come for the Congress to act like it wants to do something about the problem of illegal aliens.

Simply stated, I believe we should start addressing this acute problem in every bill before us to make sure that taxpayers' money does not go for any indirect economic support or direct economic support for people who are in the United States in violation of immigration and nationality laws. To the extent that we help them by these programs, we encourage the influx of other aliens.

I would hope this amendment would pass.

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

Mr. WHITTEN. Mr. Speaker, this is the first we have seen of this amendment and we do not know what the real impact of it might be. I appreciate what my friend from Ohio wishes to do, and I may share the gentleman's concern.

As a lawyer I see that one thing it lacks is that it does not have the words, "* * * shall be used knowingly." It is uncertain how this would relate to some criminal statutes. Without the word "knowingly," we might be carrying this further than we intended.

Certainly, I have no objection to the apparent purpose of the amendment, but not having had a chance to study it we cannot say where it might lead us.

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

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

Mr. ASHBROOK. I thank the gentleman for yielding.

That is a very good point, but I think the gentleman recognizes that if the Congress is indeed going to start in this direction, we have got to be awful careful how we do it. How can we possibly pin it down to every opinion, every bureaucrat, to everybody administering it and say "knowingly" if we start out by saying, "It shall not be used." Maybe, just maybe, in some of these agencies, they will start using bureaucratic regulations that they seem to use against productive Americans in this direction.

Mr. WHITTEN. When we get an amendment of this sort, I do not know how many employees they might ask us to fund to carry out the purposes of this. There are many uncertainties involved.

I hesitate to accept the amendment, because I do not know how far reaching it is.

I do agree with what I take to be the purpose of the amendment.

Mr. ASHBROOK. If my colleague will yield further, I would say to my friend and to my esteemed colleague whose leadership I have followed for years; and I know he is raising a valid point, but I would also ask him, Does not it seem rather strange we in Congress find ourselves concerned whether or not they have the employees, the capacity to administer an amendment of this type, when they seem to have every type of proficiency to get involved in local schools, to get involved in every small business, to get involved in homes, everything at the local level. They can find the proficiency, the manpower, and the regulations to do it, but when it comes to making some small effort to stem the flow of millions of illegal aliens in this country and direct American taxpayers' funds that go to them, we sit back and say, "By golly, I do not think they have the time, manpower or ability to do it."

I think if we at least accepted this telegram—it is not as specific as I would like to make it—my colleague correctly pointed out it does not say "knowingly." I would just like to see us be on record once, saying to the agencies involved in this continuing resolution, let us make some start at stemming the flow of illegal immigration.

Mr. WHITTEN. My colleague has made a very good presentation. As he understands, I agree with the gentleman's apparent purpose. However, agreeing with the purpose makes me wonder whether we need to start this on the continuing resolution. The gentleman understands that when the regular appropriations bills are finally agreed on this provision would become superseded and be inoperative.

I would suggest that my friend might wish to withdraw it and let us study the subject a little more and deal with it in the regular bills when they come before us, rather than the continuing resolution.

Mr. BROWN of California. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I would like to add my own voice to that of the chairman in requesting the distinguished gentleman from Ohio (Mr. ASHBROOK) to withdraw his amendment.

I understand his laudable feelings that the laws of the United States should be enforced. I do not think, and perhaps I misjudged the gentleman, that he understands the complexity of this situation. We have a Presidential commission studying this at the present time. We have numerous bodies within the Congress studying this problem at the present time. Yet, the gentleman offers an amendment which purports to go to the heart of this problem and solve it in a few well-chosen words on a continuing resolution.

I beg the gentleman to consider whether or not he is pursuing this in the most effective way.

If he does really want to insist that none of the funds in this appropriation shall be used as indicated in his amendment, I wonder if he would likewise consider an amendment to his amendment which would say that no funds in the form of income taxes, social security taxes, unemployment taxes, or other forms of taxes be collected from these individuals who are over here without benefit of law. I assure him that every study that has been made of this situation indicates that these undocumented workers are paying far more into the U.S. Treasury than they are taking out of the U.S. Treasury.

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

Mr. BROWN of California. I yield to the gentleman from Ohio.

Mr. ASHBROOK. The point to the question propounded to the proposer of the amendment, my answer is, I would, but under the rules of the House, I clearly could not put that in an amendment.

Mr. CHARLES H. WILSON of California. Mr. Speaker, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from California.

Mr. CHARLES H. WILSON of California. I think the gentleman from Ohio (Mr. ASHBROOK) mentioned he was not sure whether there was any money in this bill for the problem that he brought up. I would say that unless he knows that there is money, we are just cluttering up a bill that should not have to have this kind of an amendment in it, unless he can tell us that there is something actually that his amendment applies to.

I would hope that we could reject the amendment unless there is a good reason for it.

Mr. BROWN of California. I thank the gentleman for his comments.

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

Mr. BROWN of California. I yield to the gentleman from California.

Mr. ROYBAL. The gentleman from California is definitely correct, partic-

ularly in his analysis of the effect of the amendment.

This amendment would definitely prohibit any of these funds to be used for those who may be here illegally. The word "intentional" is nowhere in the amendment, but anyone who may be here illegally will be affected by this particular amendment, which means also that that same person may have American-born children, all citizens of the United States, who would be affected by virtue of the fact that the parent under this language is the one who is affected.

Therefore, this amendment has wide consequences.

It is, in my opinion, not the proper place for such an amendment to be offered, particularly in view of the fact that the administration, as the gentleman from California has already stated, has under study the situation, and under those conditions, I believe that this amendment should be withdrawn at this particular time.

If it is not withdrawn, I agree with the gentleman from California that this amendment should not be adopted.

Mr. BROWN of California. I thank the gentleman very much for his contribution.

I would just like to conclude by saying that there are several aspects of this that bother me. There is a human rights aspect, of course, in that the President of the United States has pledged to the President of Mexico that those citizens of Mexico who are in this country illegally will receive the same protection of the law that a legal resident of this country would receive.

□ 1640

It would have a tremendously detrimental effect upon our relationships with not just Mexico but all of the countries of the Western Hemisphere if, by adopting this language, we began to take steps which will be construed as discriminating against the very large number of undocumented workers, largely Hispanic, in this country.

The SPEAKER pro tempore. The time of the gentleman from California has expired.

(By unanimous consent Mr. BROWN of California was allowed to proceed for 2 additional minutes.)

Mr. BROWN of California. Mr. Speaker, I would also tell the gentleman very frankly this would have a tremendously adverse and detrimental economic effect in my own district and in all of southern California. I think the gentleman knows that a good part of the labor force in that area and, in fact, throughout much of the Southwestern United States, as well as the eastern seaboard and Washington, D.C. itself is provided by workers who are here without benefit of documentation. So I can speak selfishly to the gentleman, I would get a tremendous repercussion, were this to be adopted, from the business people, the agriculturalists, the hotel and restaurant owners, and the whole category of people who for one reason or another have become highly dependent upon this work force from our neighbors to the south.

Mr. ASHBROOK. Mr. Speaker, will my colleague yield?

Mr. BROWN of California. I yield to the gentleman.

Mr. ASHBROOK. I understand the problems of my colleague, but I would have to admit I think he has entered some interesting observations in this debate. All of a sudden we have elevated an illegal alien to a second-class citizen. I mean, how in the world can a person who is not a citizen in the first place be a second-class citizen?

Second, how can the President of the United States make promises to the heads of foreign countries, notwithstanding laws we have? The laws are very clear. I am just hoping the laws will be enforced.

But I do agree with what the gentleman has said, the thrust of it and the fact that this is a many-faceted problem. It probably cannot be resolved by an amendment of this type, and I will not press for a vote.

Mr. BROWN of California. I would thank the gentleman for that. I think he is demonstrating his usual reasonableness.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Ohio (Mr. ASHBROOK).

The amendment was rejected.

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Speaker, I move the previous question on the joint resolution, and all amendments thereto, to final passage.

The previous question was ordered.

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

MEAT IMPORT ACT OF 1979

Mr. QUILLEN. Mr. Speaker, I call up House Resolution 454 and ask for its immediate consideration.

POINT OF ORDER

Mr. CHARLES H. WILSON of California. Mr. Speaker, I make a point of order.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. CHARLES H. WILSON of California. Are the rules called up by the majority or the minority?

Mr. QUILLEN. Mr. Speaker, I would like to advise the gentleman from California that any member of the Rules Committee can call up a resolution which has been reported for 7 days.

Mr. CHARLES H. WILSON of California. I was going to move we adjourn, Mr. Speaker.

Mr. QUILLEN. Mr. Speaker——

Mr. CHARLES H. WILSON of California. Mr. Speaker, I have a preferential motion.

The SPEAKER pro tempore. Does the gentleman from California move a call of the House?

Mr. CHARLES H. WILSON of California. Mr. Speaker, I move we adjourn.

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

Mr. CHARLES H. WILSON of California. Mr. Speaker, I move we adjourn.

Mr. Speaker, I withdraw my motion.

CALL OF THE HOUSE

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

The SPEAKER pro tempore. Without objection, a call of the House is ordered.

Mr. BAUMAN. I object.

Mr. CHARLES H. WILSON of California. Mr. Speaker, I make the motion for a call of the House.

The SPEAKER pro tempore. The question is shall there be a call of the House.

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

Mr. BAUMAN. Mr. Speaker, division.

The SPEAKER pro tempore. The gentleman asks for a division. Those in favor of a call of the House will rise and remain standing until counted.

Mr. CHARLES H. WILSON of California. I withdraw the motion.

POINT OF ORDER

Mr. BAUMAN. Mr. Speaker, point of order. The gentleman is in the middle of a division. He cannot withdraw.

The SPEAKER pro tempore. The gentleman is correct. The Chair will continue to count.

The question was taken; and on a division (demanded by Mr. BAUMAN) there were—ayes zero, noes 22.

So the motion was not agreed to.

PARLIAMENTARY INQUIRY

Mr. BAUMAN. Mr. Speaker, would it be in order for the gentleman from Maryland to object on the grounds that a quorum is not present? Would that be in order?

The SPEAKER pro tempore. That is not in order under clause 6(a)(4), rule XV.

Mr. BAUMAN. I may do it if you keep pushing me. Is it in order or is it not?

The SPEAKER pro tempore. A motion for a call of the House does not require a quorum.

Mr. BAUMAN. Well, then—no, I will not even bother.

Mr. LONG of Louisiana. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 454 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 454

Resolved, That upon the adoption of this resolution it shall be in order to 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. 2727) to modify the method of establishing quotas on the importation of certain meat, to include within such quotas certain meat products, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for

amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

□ 1650

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

Mr. LONG of Louisiana. Mr. Speaker, I yield 30 minutes for the purpose of debate only to the gentleman from Tennessee (Mr. QUILLEN), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 454 provides for consideration of H.R. 2727, the Meat Import Act of 1979, a bill to modify the method of establishing quotas on the importation of certain meat, to include within such quotas certain meat products, and for other purposes. The resolution provides a 1-hour open rule with one motion to recommit. It also dispenses with the first reading of the bill. No waivers are granted by the adoption of this rule.

H.R. 2727, as amended by the Committee on Ways and Means, provides a countercyclical meat import formula which will help both consumers and producers. The bill will permit more imports of meat over the cattle cycle than would be permitted under the current law. It will permit greater imports of meat when domestic supplies are low and consumer prices are high, thus moderating the rise in beef prices. And it will permit smaller imports of meat when domestic supplies are abundant and consumer prices are low, thus moderating the decline in prices for producers.

The purpose of meat import quotas is to smooth out the undesirable effects of abnormal cyclical meat supplies by allowing greater imports of foreign meats when domestic supplies are low.

No one benefits ultimately from boom-and-bust commodity cycles. Enactment of the countercyclical formula in H.R. 2727 should provide additional protection to beef producers during periods of cattle herd liquidation when prices are relatively quite low, but it should also be beneficial to consumers during periods of cattle herd rebuilding, when prices are higher.

The legislation also guarantees the supplying nations that, regardless of the operation of the countercyclical formula, they will be provided a minimum access level to this country of 1.2 billion pounds per year.

The only apparent controversy in the bill is in the amount of this access level. It is my understanding that an amendment agreeable to the administration and other Members may be offered to adjust further this access level.

Mr. Speaker, this legislation is very important to consumers and producers alike. I urge my colleagues to adopt House Resolution 454 so that we may proceed to the consideration of H.R. 2727.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, the gentleman from Louisiana (Mr. LONG) has described the provisions of the resolution and the bill it makes in order. This is a measure that is long overdue. It protects the producers and consumers in America.

Mr. Speaker, I have no requests for time. I urge the adoption of the resolution and the measure when it reaches the floor of the House.

Mr. Speaker, I reserve the balance of my time.

Mr. LONG of Louisiana. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. VANIK).

Mr. VANIK. Mr. Speaker, I support the resolution from the Rules Committee providing for debate and amendments to H.R. 2727, the Meat Import Act of 1979.

Under current law, import quotas for meat are highest when domestic production is high and supplies are plentiful. The quotas are lowest when domestic production is low and supplies are tighter. Within the time frame of a cattle cycle this law has operated in a manner destructive to supply and demand conditions in the U.S. market.

The countercyclical method of determining imports and the other major provisions of H.R. 2727 amend the Meat Import Act of 1964 for the purpose of stabilizing U.S. beef and veal production and prices at levels adequate to provide a fair return to domestic producers of beef and veal, and to insure U.S. consumers of beef and veal adequate supplies at reasonable, stable prices.

To debate on this bill will show that this is a consumer bill, designed to convert the present inadequate law into a measure that will help both consumers and producers.

We considered and passed similar legislation last year, but it was vetoed after the Congress adjourned, because the President felt it unduly restricted his discretion to adjust quotas in the event of emergencies and supply shortages. The committee has addressed the problems mentioned in the President's veto message, and we believe that the bill H.R. 2727, if enacted, will be signed into law.

I urge approval of the resolution.

Mr. LONG of Louisiana. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

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

Mr. TAUKE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quroum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 372, nays 5, not voting 56, as follows:

[Roll No. 656]

YEAS—372

Abdnor
Addabbo
Akaka
Albosta
Alexander
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Anthony
Applegate
Archer
Ashbrook
Aspin
Atkinson
AuCoin
Bafalis
Bailey
Baldus
Barnes
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Beilenson
Benjamin
Bennett
Bereuter
Bethune
Bevill
Biaggi
Bingham
Blanchard
Boland
Bolling
Boner
Bonior
Bouquard
Bowen
Brademas
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burlison
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Cavanaugh
Chappell
Cheney
Chisholm
Clausen
Clay
Clinger
Coleman
Collins, Ill.
Collins, Tex.
Conable
Conte
Conyers
Corcoran
Corman
Cotter
Coughlin
Courter
Crane, Daniel
D'Amours
Daniel, Dan
Daniel, R. W.
Danielson
Daschle
Davis, Mich.
Davis, S.C.
de la Garza
Deckard
Dellums
Derrick
Derwinski
Devine
Dickinson
Dicks
Dixon
Dodd
Donnelly
Dornan
Downey
Drinan
Duncan, Oreg.
Early
Eckhardt
Edwards, Ala.
Edwards, Calif.
Edwards, Okla.
Emery
English
Erdahl
Erlenborn
Ertel
Evans, Ga.
Evans, Ind.
Fary
Fascell
Fazio
Ferraro
Findley
Fish
Fisher
Fithian
Flippo
Florio
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fowler
Frenzel
Frost
Garcia
Gaydos
Giaimo
Gibbons
Gingrich
Ginn
Glickman
Gonzalez
Goodling
Gore
Gradison
Gramm
Grassley
Green
Grisham
Guarini
Gudger
Guyer
Hall, Ohio
Hall, Tex.
Hamilton
Hammer-schmidt
Hance
Hanley
Hansen
Harkin
Harris
Harsha
Hawkins
Hefner
Heftel
Hightower
Hillis
Hinson
Hollenbeck
Holt
Hopkins
Horton
Howard
Hubbard
Huckaby
Hughes
Hutto
Hyde
Ichord
Ireland
Jacobs
Jeffords
Jeffries
Jenkins
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, Okla.
Jones, Tenn.
Kastenmeier
Kazen
Kelly
Kildee
Kindness
Kogovsek
Kramer
LaFalce
Lagomarsino
Latta
Leach, Iowa
Leach, La.
Leath, Tex.
Lehman
Leland
Lent
Levitas
Lewis
Livingston
Lloyd
Loeffler
Long, La.
Long, Md.
Lott
Lowry
Lujan
Luken
Lundine
Lungren
McClory
McCormack
McDade
McDonald
McEwen
McHugh
McKay
Madigan
Maguire
Markey
Marks
Marlenee
Marriott
Martin
Mathis
Matsui
Mavroules
Mica
Miller, Calif.
Miller, Ohio
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Murphy, Ill.
Murphy, Pa.
Murphy, N.Y.
Murtha
Myers, Ind.
Natcher
Nedzi
Nelson
Nichols
Nolan
Nowak
O'Brien
Oakar
Oberstar
Obey
Ottinger
Panetta
Pashayan
Patten
Patterson
Paul
Pease
Perkins
Petri
Peyser
Pickle
Preyer
Price
Pursell
Quayle
Quillen
Railsback
Rangel
Ratchford
Regula
Reuss
Rhodes
Richmond
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rose
Rostenkowski
Roybal
Royer
Rudd
Runnels
Russo
Sabo
Satterfield
Sawyer
Scheuer
Seiberling
Sensenbrenner
Shannon
Sharp
Shelby
Shumway
Shuster
Simon
Skelton
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
St Germain
Staggers
Stangeland
Stanton
Stenholm
Stewart
Stockman
Stokes
Stratton
Studds
Stump
Swift
Symms
Synar

Tauke	Wampler	Wirth
Taylor	Watkins	Wolff
Thomas	Waxman	Wolpe
Thompson	Weaver	Wright
Traxler	Weiss	Wyatt
Trible	White	Wylie
Udall	Whitehurst	Yates
Ullman	Whitley	Yatron
Van Deerlin	Whittaker	Young, Alaska
Vander Jagt	Whitten	Young, Fla.
Vanik	Williams, Mont.	Young, Mo.
Vento	Williams, Ohio	Zablocki
Volkmer	Wilson, Bob	Zeferetti
Walgren	Wilson, C. H.	
Walker	Winn	

NAYS—5

Dougherty	Lederer	Wydler
Gray	Myers, Pa.	

NOT VOTING—56

Ashley	Fuqua	Neal
Badham	Gephardt	Pepper
Barnard	Gilman	Pritchard
Boggs	Goldwater	Rahall
Bonker	Hagedorn	Rosenthal
Breaux	Heckler	Roth
Burton, John	Holland	Rousselot
Campbell	Holtzman	Santini
Cleveland	Jones, N.C.	Schroeder
Coelho	Kemp	Schulze
Crane, Philip	Kostmayer	Sebelius
Dannemeyer	Lee	Snowe
Diggs	McCloskey	Solomon
Dingell	McKinney	Stack
Duncan, Tenn.	Mattox	Stark
Edgar	Mazzoli	Steed
Evans, Del.	Michel	Treen
Fenwick	Mikulski	Wilson, Tex.
Flood	Mottl	

□ 1710

The Clerk announced the following pairs:

Mr. Pepper with Mr. Cleveland.
Mr. Rosenthal with Mr. Dannemeyer.
Mrs. Schroeder with Mr. Philip M. Crane.
Mr. Steed with Mr. McCloskey.
Ms. Mikulski with Mr. Solomon.
Mr. Mottl with Mr. McKinney.
Mr. Jones of North Carolina with Mr. Evans of Delaware.
Mr. Gephardt with Mrs. Snowe.
Mr. Fuqua with Mr. Roth.
Mr. Ashley with Mr. Sebelius.
Mr. Edgar with Mr. Pritchard.
Mr. Mattox with Mr. Rousselot.
Mr. Dingell with Mr. Schulze.
Mr. Coelho with Mr. Lee.
Mr. John L. Burton with Mr. Kemp.
Mrs. Boggs with Mrs. Heckler.
Ms. Holtzman with Mr. Goldwater.
Mr. Breaux with Mr. Gilman.
Mr. Kostmayer with Mr. Campbell.
Mr. Mazzoli with Mr. Duncan of Tennessee.
Mr. Santini with Mrs. Fenwick.
Mr. Rahall with Mr. Badham.
Mr. Neal with Mr. Hagedorn.
Mr. Stack with Mr. Barnard.
Mr. Charles Wilson of Texas with Mr. Stark.
Mr. Bonker with Mr. Diggs.
Mr. Holland with Mr. Michel.

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

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. ALEXANDER. Mr. Speaker, on Friday, November 9, 1979, I was unavoidably detained in conference and was, therefore, not recorded on rollcalls Nos. 645 and 646. Had I been present on rollcall No. 645, a motion to resolve into the Committee of the Whole on H.R. 2335, the Solar Power Satellite Research and Development Program Act, I would have voted "yea," and I would have recorded my presence on the quorum call that shortly followed.

PERMISSION FOR COMMITTEE ON THE JUDICIARY AND SUBCOMMITTEE ON MONOPOLIES AND COMMERCIAL LAW OF THE COMMITTEE ON THE JUDICIARY TO SIT TOMORROW MORNING, NOVEMBER 14, 1979, DURING 5-MINUTE RULE

Mr. HUGHES. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary and the Subcommittee on Monopolies and Commercial Law of the Committee on the Judiciary be permitted to sit tomorrow morning, November 14, while the House is reading for amendments under the 5-minute rule.

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

There was no objection.

MEAT IMPORT ACT OF 1979

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. 2727) to modify the method of establishing quotas on the importation of certain meat, to include within such quotas certain meat products, and for other purposes.

The 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. 2727, with Mr. GORE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. 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, and the gentleman from Minnesota (Mr. FRENZEL) will be recognized for 30 minutes.

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

Mr. ULLMAN. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, H.R. 2727, as reported by the Committee on Ways and Means, is a well-balanced bill which meets the needs of both producers and consumers for greater stability in the price of beef.

Under existing law, the levels of beef and veal imports rise and fall in relation with the increases and decreases in the domestic commercial production of beef and veal. The current law actually exacerbates the destructive boom and bust nature of the cattle cycle. Because of this weakness, the statutorily mandated limits on imports of fresh, chilled, and frozen meat have frequently been set aside by the President in times when domestic supplies are tight. Although these Presidential actions to suspend or increase the quotas are immensely unpopular among cattlemen, the current law provides no other means for increasing imports when domestic production is low. Additionally, current law does not provide any means for restraining the increase in meat imports resulting under the law when domestic supplies are high and prices are depressed due to the liquidation phase of the cattle cycle.

The countercyclical formula contained in H.R. 2727 is intended to correct these deficiencies. It should be stressed that this formula is no more restrictive over the current 10-year cattle cycle than current law. In fact, it is estimated that in years of high prices it will help consumers by letting in more beef than would be allowed under current law. It simply controls the yearly flow of imports into this country in a manner that is more complimentary to U.S. production, thus achieving a stabilizing effect for domestic consumers and cattlemen.

The committee believes that H.R. 2727 is unique in combining benefits for both consumers and producers. No one benefits from boom and bust commodity cycles; H.R. 2727 will help bring some greater stability to the supply and price of beef, thus providing a major improvement for the American livestock industry.

As USDA reported to the committee:

Enactment of the countercyclical formula would provide additional protection to beef producers during periods of cattle herd liquidation when prices are relatively quite low, but it would also be beneficial to consumers during periods of cattle herd rebuilding, when prices are higher. For example, had the countercyclical formula been in place for 1979, allowable imports under the law would have been even higher than the level announced by the President after he suspended the quota. This would have benefitted consumers and would have helped to retard the rate of food price inflation.

Mr. Chairman, during this session of Congress, 20 bills cosponsored by 150 Members of Congress were introduced to amend the Meat Import Act of 1964. The Subcommittee on Trade held 2 complete days of hearings on these proposals last year and an additional day of hearings on April 30 of this year, during which testimony was received from Members of Congress, domestic producers, consumers, and importers.

In favorably reporting H.R. 2727, the Committee on Ways and Means very carefully considered: First, the need to provide American consumers adequate supplies of beef at reasonable, stable prices; second, the need to maintain a strong, viable domestic cattle industry and eliminate the boom and bust cycles of recent years; and third, the need to provide our major trading partners adequate access to our market so that they can properly plan their production to coincide with our import needs. I believe we have a bill which meets these needs and which will be signed into law.

The Congress approved similar legislation last year which the President vetoed primarily because he was displeased with the new statutory criteria for Presidential action regarding quotas in response

to changed market conditions. I am informed that the statutory criteria for Presidential action to suspend quotas contained in H.R. 2727 is acceptable to the administration.

The committee-reported bill provided for a minimum access level of 1.2 billion pounds of meat, although the administration continued to request a higher import guarantee of 1.3 billion pounds. Since the bill has been reported, there have been discussions between various interested groups and major foreign suppliers, and a broad consensus has developed to amend the bill before us to provide for a compromise minimum import level of 1.25 billion pounds. It is my understanding that an amendment providing for a minimum import level of 1.25 billion pounds will be offered. I support that compromise as a way to end the last major controversy involved in this legislation.

I believe that H.R. 2727 will be extremely beneficial to this Nation and I strongly urge its passage.

Mr. LEDERER. Mr. Chairman, we have before us today, H.R. 2727, the meat import bill of 1979. As you know, this is the second year that we have discussed this legislation in this Chamber. In 2 years, I have yet to be convinced of the necessity of this legislation. It is not needed. It is inflationary. It is counterproductive. And it will inject uncertainty into our trade relations.

We have been told that H.R. 2727 will inject stability into the current meat import and domestic meat market. It is claimed that our domestic meat markets are now marked by great fluctuations because of these beef imports. Mr. Chairman, I have yet to understand how beef imports, which have consistently held at between 7 and 8 percent of domestic consumption for the past 15 years, have caused these fluctuations. I am afraid that the problems of the cattlemen are created in our own domestic beef markets. I think that their management of herds are, at least, open to question. However, you do not solve a domestic marketing problem by attacking needed imports. H.R. 2727 would create great uncertainty among our beef trading partners. This would make us vulnerable to similar actions by foreign countries on our exports. I do not think this is wise.

Now, H.R. 2727 would supposedly modify the current methods of importing beef by imposing a countercyclical program on our beef imports. Thus, when domestic beef production increases, our foreign imports of beef would decrease. This proposal is all very neat and orderly. It is also very erroneous and misunderstands the purpose of imported beef.

Most beef that is imported does not compete with domestic production. Almost 85 percent of the cattlemen's income in the United States come from grain-fed table beef, such as steaks and roasts. Our beef imports consist mostly of lean beef which is used in the production of hamburger and other manufactured beef products. It is not economical for our cattlemen to produce lean beef. Since our domestic cattle industry does not produce enough lean beef to meet demand, we must depend on imports. Thus, the need for imported lean beef is greatest when U.S. production of fatty, grain-fed cattle is high. This market relationship between lean and fat beef will go into a tail spin if this countercyclical proposal is adopted. This bill will not eradicate fluctuations, it will create them.

Mr. Chairman, I am by no means an authority on the problems of our domestic meat markets. However, as the father of six children, I am very familiar with the family grocery budget and the effect that meat prices have on it. It is clear to me that H.R. 2727 will result in shortages of the ingredients of hamburger, hot dogs, and so forth. Such shortages will result in higher and higher prices for these products.

Earlier this year, the chairman of the Trade Subcommittee said that meat prices are getting so high, we will soon only be able to use meat for flavoring. This would be funny if it were not so true.

It is the consumer who will suffer from this legislation. And in these days of unprecedented inflation, I cannot understand why this body would want to increase the burden on the American consumer. It is unfair, and I urge my colleagues to defeat this misguided legislation.

Mr. BEDELL. Mr. Chairman, I rise in strong support of H.R. 2727, the Meat Import Act. The bill provides for a meat import policy that will help to assure consumers of a stable supply of meat at reasonable prices, while providing producers with an adequate return for their efforts. This legislation is the product of many hours of work by livestock producers and the consumers of meat, Members of Congress, and administration officials, and I urge my colleagues to give H.R. 2727 their full endorsement.

Mr. Chairman, as several of my colleagues and myself have been pointing out for the last few years, the most significant feature of the Meat Import Act—the so-called countercyclical formula—would, if the bill is adopted, do most to inject a measure of reason into our meat import policy. The countercyclical formula would provide for increased meat imports during times when domestic meat production is low, and fewer imports at a time when domestic production is high. The end result of the implementation of such a policy would be to eliminate the traditional highs and lows of livestock and retail meat prices. The need for such a formula becomes apparent when one examines both the historical cattle production cycle and our present meat import policy.

An examination of the ups and downs of the cattle cycle that have been observed over the years provides a clear lesson in the simple operation of the law of supply and demand. In years when cattle livestock feeding and marketing is relatively low, cattle prices tend to be higher and thus signal the cow/calf producer to expand his herd and the cattle feeder to feed more cattle to heavier weights. However, because it takes nearly 3 years from the time a young heifer conceives until her calf is fed and marketed, a signal to the cowman to expand his herd does not impact upon retail beef prices for some time. Also, because this delay serves to disguise the buildup taking place in herd numbers, producers often expand beyond the point necessary to achieve a desirable balance in livestock demand and supply.

Just when herd numbers reach a high in the cattle cycle, fed cattle marketings exceed consumer demand for beef at profitable prices to producers and retail beef prices fall sharply. Cattle feeders responding to this price reduction pay less for the feeder cattle they purchase from the cow/calf producer. The cowman reacts to this situation by reducing his herd numbers at a time when fed cattle marketings are already too high, and in the process worsens the situation by further driving down prices. Herd liquidation over a couple of years leads to an eventual recovery in cattle prices, and as the market signals a supply shortfall the cattle cycle begins anew. Such cyclical swings in price and supply prove in the long run to be in the best interests of neither the producer nor consumer.

Contributing to these sharp swings in beef production and prices, unfortunately, is our present meat import policy. This policy, as authorized in the Meat Import Act of 1964, exacerbates the price and supply fluctuations by providing for less imported meat at a time when domestic beef supplies are tight, and more imported meat when U.S. beef is abundant. This policy exists without reason, and its replacement by adoption of the bill before us today is essential.

Also, much has been made of the provisions in the Meat Import Act which revise Presidential authority to alter meat import levels. Changes in this authority was offered as the primary reason for the veto of a similar bill—over the objections of myself and my colleagues—by the President during the previous Congress. The language in the present bill gives the President the authority necessary to adjust import quotas when warranted, yet gives the producer some assurance that Presidential action will be neither capricious nor unwarranted. The legislation modifies the President's authority to suspend or increase quotas by authorizing him to act only if there is a national emergency as defined by the National Emergency Act of 1976, if supplies are inadequate because of natural disaster, disease or market disruptions, or if revised midyear data indicate declining market production. This language should satisfy the objections of the administration and signal ranchers and farmers that beef production can continue in a relatively untampered market.

Mr. Chairman, we have worked hard and we have worked long to draw up reasonable legislation that will improve our meat import policy. Despite many setbacks, and after much discussion, we have presented a measure that will assure consumers an adequate supply of meat at a fair and stable price, yet provide producers with the incentive needed to maintain their herds at a level that will help to assure an adequate return for their efforts. I urge my colleagues to lend their full and immediate support to this needed legislation.

□ 1720

Mr. FRENZEL. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I join my colleague in supporting H.R. 2727. This bill before us today represents the compromises that have been reached among consumers, the cattle industry, the administration and the Congress since the bill was vetoed by the President last year. All parties now appear satisfied that H.R. 2727, with its countercyclical formula for determining the level of meat imports and its safeguards with respect to market access and Presidential discretion, is a balanced and fair approach that promotes the interests of both consumers and producers.

Two basic problems had to be resolved in order to remove the objections of the President and thus the threat of another veto. The first and most serious problem was the fact that last year's bill severely limited the President's authority to increase the quota level when economic or national security considerations warrant. The language was such that the President, for all practical purposes, was stripped of his discretionary authority with respect to meat imports except in cases of national emergency.

The second basis for veto was the fact that last year's bill contained a minimum access level of only 1.2 billion pounds. The President felt that such a low level would adversely impact on Australia, a country with whom we have a 2 to 1 favorable balance of trade and an exporter that does not subsidize its meat products or its cattle industry in general.

With respect to the issue of Presidential discretion, the language of H.R. 2727 now provides an acceptable alternative that gives the President adequate authority to suspend or increase the quota under emergency situations or when certain data indicate a "turn" in the cattle cycle predicting a rise in meat prices. Yet the bill also gives to the cattle industry the security that the use of Presidential discretion will not interfere with the function of the countercyclical formula unless severe economic situations, including rapidly increasing prices, warrant such action. Both the President and the cattle industry appear satisfied with the discretionary authority contained in H.R. 2727.

The minimum access level provided by H.R. 2727 remains the same as in the legislation overwhelming approved by the Congress last year. The so-called floor would permit imports of at least 1.2 billion pounds regardless of the level indicated by the countercyclical formula.

In other words, quota restrictions would not apply to the first 1.2 billion pounds of meat imported into this country. The administration still is not completely satisfied with this level and has recommended a floor of 1.25 billion pounds. I plan to offer an amendment establishing such a floor in this legislation. If my amendment is accepted today, the administration has indicated it will readily support the legislation.

H.R. 2727 is, in every respect, an improvement over current law. It offers stability to the cattle industry, yet provides for increased imports that will serve to moderate prices over the long term. An analysis of the estimated effects of the bill over the next 10 years shows that over 1.2 billion pounds of additional meat can be imported over that permitted under current law. The consumer, therefore, would realize the benefits of an increased supply of low cost meat.

The cattle industry, on the other hand, is benefitted by the new countercyclical formula that has the effect of expanding the flow of imports when domestic production is low and restricting imports when domestic supply is adequate. Imports, therefore, are used to complement the U.S. cattle cycle rather than to aggravate the highs and lows of domestic production.

H.R. 2727 is a balanced bill whose mechanisms will stabilize the boom and bust nature of the cattle industry for the benefits of both producers and consumers. I urge my colleagues to support this legislation.

Mr. Chairman, I yield the balance of my 5 minutes to the distinguished gentleman from Louisiana (Mr. MOORE), a member of the Subcommittee on Trade.

Mr. MOORE. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, as a coauthor of this bill, I rise in support of the bill, as I did in the last Congress when the bill was vetoed by the President after being passed by Congress.

This bill is needed to remove the uncertainty of interruptions in the quota law we now have in effect and the law of 1964 concerning imported beef. Basically, cattlemen today cannot depend upon the current quota structure as any sort of security or any sort of balancing between the problems with meat to be imported into this country and the problems with boom and bust beef cycles.

Presidents in the past have interrupted this quota and allowed more beef to come in than the quota called for, and these interruptions have sent out negative signals to beef producers and caused them in turn to cut back on beef herd sizes. The result has been increases in beef costs to consumers.

This needs to be stopped, and that is the purpose of this bill. This bill is designed truly to help beef producers and beef consumers.

Mr. Chairman, I will say to my colleagues that this is a novel concept. It is a concept that is not in our law or in any other situation except perhaps with cotton. In most situations where a quota exists, it is a fixed quota. In this case it is something very novel and something for the protection of consumers.

When beef prices are very high in this country, the beef quota window opens because it allows more beef to come in. Consequently, when beef prices are very low in this country, the beef window closes and keeps out foreign beef, except for a smaller measure of imports, until those beef prices in this country become stabilized once again.

This practice is something that truly benefits both the producer and the consumer. It is a novel concept, and it is not something we find having been used to any extent before in our law. It allows more beef to come in under this bill than is presently coming in. So to those people who may say that this bill will keep out foreign beef, I say that is not true. We predict and project that more beef will come in from foreign sources under this bill than is coming in under the law right now.

So this bill is not a restrictive bill or one designed to hurt foreign competition. This bill is definitely a compromise over the bill the last Congress passed; the one the President vetoed. Most if not all of the present objections have been met, and most of the compromises have been at the expense of beef producers. Consequently, beef producers in this country have given up a great deal in order to have this bill passed by this House today.

Therefore, Mr. Chairman, I urge my colleagues to pass this bill as something that is most needed to stabilize beef production and beef prices for both the consumers and the producers of beef in this Nation.

Mr. ULLMAN. Mr. Chairman, I yield such time as he may consume to the chairman of the subcommittee, the gentleman from Ohio (Mr. VANIK).

Mr. VANIK. Mr. Chairman, H.R. 2727, as reported, amends the Meat Import Act of 1964. The purpose of the bill is to stabilize U.S. beef and veal production and prices at levels adequate to provide a fair return to domestic producers of beef and veal and to insure U.S. consumers of beef and veal adequate supplies at reasonable, stable prices. This bill was introduced by our distinguished chairman, Mr. ULLMAN of Oregon.

H.R. 2727, as amended, modifies the method of determining quota levels by the adoption of a countercyclical formula. Under current law, import quotas are highest when domestic production is high and supplies are plentiful. The quotas are lowest when domestic production is low and supplies are tighter. The current law has provided for a steady growth in imports over long periods of time as domestic production increases. However, within the shorter time frame of a cattle cycle it operates in a manner destructive to supply and demand conditions in the U.S. market. Under the countercyclical formula proposed in H.R. 2727, the limitations on imports would vary inversely with U.S. production of beef and veal so as U.S. production decreases, import limitations will be liberalized, and vice versa. This formula utilizes a current base period (1968–77) representing a complete cattle cycle and also contains a countercyclical adjustor which causes the formula to react more consistently and rapidly to changes in the domestic cattle market.

By providing a countercyclical formula for meat imports, H.R. 2727 will help both consumers and producers. The bill will—

Let in more meat over the cattle cycle than would be permitted under current law;

Let in more meat when supplies are low and consumer prices are high, thus moderating the rise in beef prices;

Let in less meat when supplies are abundant and consumer prices low, thus moderating the decline in prices for producers.

Mr. Chairman, I have long been in favor of complete repeal of the Meat Import Act of 1964. In 1973, when the Ways and Means Committee was considering the Trade Act of 1974, it was defeated in a 12 to 12 vote to repeal the 1964 act. I will continue to support efforts to repeal. But I frankly doubt that the votes exist to wipe this statute out. Since I believe that the amendments we are considering today are a major improvement for the consumer, I will support final passage of this legislation.

During the debate in committee on this legislation, the greatest controversy centered on whether to establish a 1.2 or a 1.3 billion pound minimum access or import floor. The committee bill unfortunately contains the lower figure of 1.2 billion pounds which provides less protection for consumers. It is expected that an amendment will be offered to raise that floor to a compromise figure of 1.25 billion pounds. While I support that figure as an improvement, I believe the figure should be even higher, at the 1.3 billion pound level. Therefore, I urge support of the gentleman from Ohio (Mr. GRADISON) in his amendment to increase the minimum access level to 1.3 billion pounds.

Mr. FRENZEL. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Ohio (Mr. GRADISON), a member of the Subcommittee on Trade.

Mr. GRADISON. Mr. Chairman, consumers—our constituents—are crying out against the high cost of food. Last year, the Consumer Price Index for food rose by 11 percent. The outlook for this year is not much brighter. In 1979, the CPI for food is projected to surpass easily the 10 percent mark. Consumers are being forced to decide between spending more and more money to buy the same market basket of goods or spending the same amount of money and purchasing less food. This situation is especially onerous for low- and middle-income families.

The time has come for Congress to fight this problem. The time has come to halt all Federal programs which needlessly raise the cost of food. The recent defeat of the sugar bill indicates that House Members are beginning to hear this message. Yet, the fight against higher food costs is far from over.

Today, the House is considering a bill which would modify the quota system used for meat imports. Yet—particularly in these times of double-digit inflation—Congress should be pointing its efforts in exactly the opposite direction as that detailed in this legislation.

Quotas restrict supplies and only serve to exacerbate the problem of shortages and higher prices. Therefore, when we take up amendments under the 5 minute rule I will offer an amendment to eliminate meat import quotas altogether—an approach just supported by the chairman of the Trade Subcommittee, the distinguished gentleman from Ohio, Mr. VANIK.

The case against H.R. 2727 and meat import quotas is a strong one. H.R. 2727 is being touted as beneficial to the consumer. The simple fact is, however, that this legislation is fatally flawed and in no way justifies the continuation of a quota system.

H.R. 2727 would establish a countercyclical formula to determine the "permissable" level of meat imports. The formula is designed to allow more imports during periods of low domestic production and less imports when production at home is high. The goal here is to eliminate the detrimental impact of the peak/valley aspect of cattle production. Close examination, however, reveals major faults in the proposed formula.

The countercyclical formula is based on the assumption that the cattle cycle in foreign countries will be desynchronized from our domestic cycle—that is, foreign production will peak when domestic production is low and will slip when domestic production is high. This assumption, however, places the proposed formula in a very tenuous position—if the assumption is false then the countercyclical formula will not work; if it is true, then the formula will only be a second best alternative when compared to the market system under free trade. In other words, if the assumption of desynchronization is false, then foreign production will dip at the same time as domestic production and the countercyclical formula would be useless. Even though this formula would permit higher imports during times of low domestic production, higher imports would not necessarily be forthcoming since foreign production would be low as well.

Furthermore, if the assumption is true that the cattle cycles can be desynchronized, then the free market system would most effectively organize trade since, for example, low production at home would create higher prices which, in turn, would encourage greater exports to the United States. In either case, the countercyclical formula is a loser.

Even if one believes that the countercyclical formula would work, it would restrict the importation of one type of meat just because domestic production of a differing type is high. Beef imported into the United States is generally grass-fed and is largely used in hamburger and processed foods. In contrast, most of the beef produced in the United States is grain-fed and used for table steaks. Thus, the countercyclical formula would limit beef available for hamburger just because domestic production of table steaks is high.

Meat import quotas, in any form, represent poor public policy. Meat prices have been the driving force behind the sharp rise in food costs. Figures from the U.S. Department of Agriculture reveal that even after a high growth rate in 1978, retail beef prices increased by 23.9 percent in the first half of 1979, which accounted for nearly one-half of the 6.0-percent increase in the CPI for food. Beef prices are skyrocketing and pulling food prices and the cost of living along.

Import quotas restrict supplies and thereby force the price of meat upward. In addition, as the cost of meat increases, consumers shift their demand to substitutes such as chicken or pork and as a result, the price of these products increases as well. The President's Council on Wage and Price Stability has estimated that the current quota system costs consumers between $350 million and $1 billion annually. In the coming decade, the cost is projected to reach at least $1.2 billion annually.

Meat import quotas have a disproportionately harmful effect on the poor. As indicated earlier, quotas limit the supply of less-expensive meat products such as hamburger, upon which lower income families largely depend. Department of Agriculture estimates show that the price of hamburger in the first half of 1979 is nearly 50 percent higher than in the same period 1 year ago. This means that a family spending the same now as before can only purchase one-half as much beef. Eliminating import restrictions would reduce the relative price of hamburger and other processed beef products.

In addition, meat import quotas are detrimental to our overall trade policy. The United States exports over $5.2 billion in goods and services to Australia and New Zealand—the two leading suppliers of meat to the United States. Quotas reduce the income of our trading partners and weaken their ability to purchase U.S. goods. Furthermore, how can we expect our trading partners to allow imports of goods we have to offer, including our own high quality beef products, when we close our markets to their goods? U.S. trade restrictions induce foreign governments to erect their own barriers, and as a result, everyone loses.

I might add that it was not too long ago, during consideration of an amendment to impose export quotas on the leather industry, that many Members from cattle-producing areas professed the benefits of free trade. It is important to stress that free trade is not a one-way street.

Mr. Chairman, meat import quotas are bad for the entire Nation and H.R. 2727 does not alter this fact. Consumers are being crushed by the ever growing burden of higher prices. Clearly, the time has come to give the consumer and the average citizen a break. Any action which maintains meat import quotas would work against the consumer because it would leave intact a system which limits supply and drives up the price. Again, I emphasize that H.R. 2727 would provide no solution. The only responsible action Congress can take—especially in these times of double-digit inflation—is to repeal meat import quotas altogether.

Mr. ULLMAN. Mr. Chairman, I yield 3 minutes to the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Chairman, I rise today in support of H.R. 2727, the Meat Import Act of 1979. This legislation is carefully crafted and is a fair compromise.

Many of you remember that last year, the President vetoed a meat import bill. He said it took away too much of his authority to suspend quotas and increase imports. The key to an agreement this year, in large measure, was to find language which the administration could

support. H.R. 2727 achieves this goal. The administration supports the bill.

The Meat Import Act of 1979 corrects a basic flaw in the 1964 law, which almost defies the law of supply and demand. The current system increases imported meat when domestic supplies are most plentiful and reduces those imports when domestic supplies taper off.

By contrast, H.R. 2727 establishes a counter-cyclical approach that has overwhelming support. This bill limits imports when domestic supplies are plentiful and prompts more imports when domestic supplies are low. This concept is simple and essential to the stability of the cattle industry and to the stability of meat supplies in this country. The bill stabilizes the supply and price of beef and eases the boom and bust cycle that has disrupted the market in recent years, preventing the industry from making the kind of projections and plans that any well-managed business must make.

H.R. 2727 reflects a compromise reached in the Ways and Means Committee on the section pertaining to Presidential discretion. Last year's veto was based on the fear that the President would lose too much of his power to suspend quotas and increase meat imports. This year, we established a system to allow more Presidential discretion than either last year's bill or H.R. 2727 in original form, introduced by my friend and colleague, Chairman AL ULLMAN. The final product, therefore, represents a system which has attracted the support of all major farm groups, as well as the National Independent Meat Packers Association.

Since the committee approved H.R. 2727, we have agreed on an amendment, to be offered by Mr. ROSE or Mr. FRENZEL to increase the minimum floor on meat imports from 1.2 billion to 1.25 billion pounds of meat. This issue threatened to divide opinions on the bill. But we have now agreed upon this compromise, which has strong backing by the administration.

Some of our trading partners have opposed this bill, but it is not our purpose to hurt relations with any country. This bill improves our meat import laws, but not to the detriment of any foreign markets. There is a need for certain grades of imported meat, but not at the expense of domestic producers, who are unable to plan for the future under the present system. H.R. 2727 will not reduce the amount of meat imports—it will simply change their timing in a more logical fashion.

We have the administration's support for this important piece of legislation. H.R. 2727 gives us the chance to keep the cattle industry on the road to stability. The beneficiaries will be the small producer, the cattle industry and the consumer. I urge your support of this worthwhile goal.

□ 1730

Mr. ULLMAN. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I would like to have an agreement with my distinguished friend, the gentleman from Minnesota (Mr. FRENZEL), the ranking minority member, that we might finish general debate, provided we have no votes tonight on the matter but just continue through general debate.

Mr. FRENZEL. Mr. Chairman, if the gentleman will yield, that is my understanding of the agreement. On my side, we have, I think, five requests for time, with 9 minutes, and I think we can finish the debate very promptly tonight if we would go ahead on that basis.

Mr. BAUMAN. Mr. Chairman, I make the point of order that a quorum is not present.

Mr. ULLMAN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GORE, 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. 2727) to modify the method of establishing quotas on the importation of certain meat, to include within such quotas certain meat products, and for other purposes, had come to no resolution thereon.

TRAINING OF IRANIAN MILITARY PERSONNEL

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

Mr. WOLFF. Mr. Speaker, today I have introduced legislation urging the President to terminate immediately all training of Iranians in our military installations.

Presently various branches of the military are training 274 Iranian officers and enlisted men. The Air Force is training the bulk of the Iranians as pilots in bases throughout the country.

I would like to insert into the RECORD at this point the list where Iranian personnel are being trained:

IRANIAN TRAINEES

WASHINGTON.—A total of 273 Iranian military personnel, mostly student pilots, are in training at Air Force and Navy bases in the United States, the Pentagon said today.

The Iranian military students are at 13 bases in nine States.

The 245 Iranian air force personnel are at the following bases:

Columbus, Miss., 83; Laughlin Air Force Base, Texas, 72; Shepherd Air Force Base, Texas, 48; Mather Air Force Base, Calif., 24; Lowry Air Force Base, Colo., 7; Keesler Air Force Base, Miss., 6; Reese Air Force Base, Texas, 3; and one each at Blytheville Air Force Base, Ark., and Kelly Air Force Base, Texas.

In addition, 28 Iranian navy personnel are training at these bases:

Pensacola, Fla., Naval Air Station, 19; four each at the Corpus Christi, Texas, Naval Air Station and the Navy Postgraduate School at Monterey, Calif., and one at the Jacksonville, Fla., Naval Air Station.

Defense Department officials said they expect most of these training courses to be completed this year.

It is absurd for the United States to be training Iranian military while the leaders of that country are condoning the seizure of our Embassy and allowing our citizens be held under threat of death. The Iranian military, whose officers we are training, marched in the streets yesterday demonstrating in support of the seizure.

While Iran is blackmailing this Nation, they are treating the United States as an adversary. I see no reason to train the military forces of an adversary nation.

The Iranian Government, and its leaders, have violated international law and infringed upon U.S. sovereignty. Iran is a party to the Vienna Convention on Diplomatic Relations which clearly states that a diplomatic mission and diplomatic agents are "inviolable;" and that the receiving nation has a responsibility to protect that mission.

I support President Carter's action yesterday in cutting off our imports of Iranian oil. I think that terminating all military training is the obvious next step that the President should undertake.

I am seeking cosponsors on my resolution. While we must clearly take well thought out actions in this delicate situation, we must also send a message to the Iranians that we will not accept terrorist acts perpetrated against our citizens and diplomatic personnel.

THE CHRYSLER BAILOUT

The SPEAKER pro tempore (Mr. WEISS). Under a previous order of the House, the gentleman from Arkansas (Mr. BETHUNE) is recognized for 60 minutes.

GENERAL LEAVE

Mr. BETHUNE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. BETHUNE. Mr. Speaker, as a new Member of the House, I have made a couple of observations since I have been here that I think are valid, and one of them is that this Congress tends to respond to pressure rather than to address the problems of the day, and that pressure tends to cause us to view matters in the short-term rather than in the long-term interest of the country.

The Chrysler issue gives this Congress, I think, a unique opportunity to send a signal to America that this is the time when we are going to quit giving in to the pressure of the day and start thinking about the long-term interest of this country. Too often Congress is busy putting out the brushfire of the day and listening to the special interests that run up and down the hall, rather than thinking about the long-term consequence of that action, as we should. I know that Members are getting pressure from the Chrysler dealers all around the country, and I know that Members are getting pressure from the suppliers and the big banks that have extended credit to Chrysler and to the various Chrysler dealers around the country. I am, too. But I think that this is a good place for us to reverse this trend that obsesses the House to respond to special-interest pressure instead of dealing with

long-term problems. This is as good a place as any to fight the battle that one day we are certain to have to fight in America. It seems to me that this is the time and this is the place where we need to deal with the British disease with which we are now afflicted.

I saw some testimony today in the Banking Committee that succinctly brings the point to bear, and it goes something like this:

> The argument over what kind of investment or interest in the company, in a business, that the Government ought to get in exchange for help is precisely the kind of situation that most businesses, including Chrysler, have always hoped to avoid. The debilitating impact of the Federal Government on American enterprise has been described and proven many, many times. If there is a single issue on which most business men and women agree, it is the fact that the Government's impact is always counterproductive from an economic standpoint, and the costs of regulation are always devastating. Yet we have here the spectacle of a major U.S. corporation willing to accept the most ridiculous schemes and intrusions on its right to manage its own resources simply because, with its hat in its hand, it has given up its will and its moral right to say no.

That testimony in the Banking Committee, I think, focuses on the gut issue of the Chrysler bailout proposal.

A troublesome aspect, to me, of the present administration's proposal is this tacit acceptance of a shortrun solution to the problem that faces the country. They are trying to ram through the committee, without full study and examination, a proposal that transfers to the Secretary of the Treasury carte blanche power to run the Chrysler Corp. in the next 2 years. Again we are being asked to ascribe to the myopic view of what might seem costly in the shortrun and ignoring in the name of political expediency the exceptionally high cost of such action in the long run.

The need for careful and responsible judgment on matters of profound importance of long-term benefits and economic survival of this Nation are being abrogated by the knee-jerk reaction of Government to the various special interests involved.

At the very root of this proposed bailout lies one characteristic that continues to surface time and time again. This is merely an attempt to transfer the risk of business to the tax-paying public sector while holding the promise of reward for the various interests in the private sector.

What are we going to do with the precious trait of the American character known as self-help and individualism? Are we eroding this ethic by easy access to the Government Treasury?

□ 1740

Is this quick fix by central government to quickly relieve the pressure from Chrysler likely to remove the incentive that they might have to try to help themselves? Could it be that the pressure for Government loan guarantees now before us grew out of Chrysler's anticipation that a Government bailout would be there when they needed it? In this environment of crisis decision-making, the social blackmail says guarantee now or spend several million dollars of taxpayers' money over the near term for an economic and social displacement resulting from the Chrysler collapse.

In terms of cost, I think we should ask this question: Is the relatively short-term impact of Chrysler's collapse miniscule compared to the long-term implication of continued shortsighted Government decisionmaking which destroys initiative and reduces productivity? This destroys credibility of government and instills resentment by those who, with their individualism and work ethnic, are the underpinning of our economic and social political system and which assure the continued upward spiral of inflation and export of American jobs by ignoring the signals of the free marketplace, by propping up the most inefficient productive capacity in our system.

The very purpose of the Government loan guarantee is to furnish the applicant with resources that it would not otherwise receive. By transferring the normal lender's risk to the taxpayer, the Government is altering the market signals, perpetrating continued consumer dissatisfaction and allocating a scarce resource, in this instance credit to the least efficient producers in this country.

The prospect of a temporary rise in unemployment with its attendant economic cost is much less chilling than the prospect of the taxpayer via Government in partnership with the moribund corporation.

A "worst case" simulation of a Chrysler shutdown, by Data Resources, Inc. (DRI) suggests that auto sales will have been recovered by 1981; Chrysler employees will have been largely absorbed by other sectors of the economy; and employment would be lower by some factor due to a share of auto market going to imports. Short-term economic impacts suggested are:

First. Lower economic growth;

Second. Lower employment for 2 years;

Third. Lower after-tax corporate profits;

Fourth. Near term tighter financial markets; and

Fifth. No domino effect on other big companies.

The important point of the assessment, however, is the short-term duration of the impact.

Conclusions reached on a long-term impact by DRI and Heritage (Eugene McCalister, economist) suggest that:

First. Projected unemployment figures are exaggerated.

Second. Profitable Chrysler facilities would continue operation and short-term output losses would be minimized.

Third. Some of the displaced demand would be met by other domestic producers through expanded employment, thus strengthening American Motors, GM and Ford.

Fourth. Some demand would be met by imports from foreign facilities with associated output and employment loss to U.S. economy.

Fifth. It is further suggested that the jobs lost would be the "inefficient ones" which in the long run should be lost, to avoid the allocation of resources to less cost-competitive productive facilities.

We should make the decision about aiding Chrysler in a larger context after due deliberation.

The sporadic, piecemeal, and uncoordinated approach to a rational industrial policy can lead only to continued crises. Chrysler is symbolic and symptomatic of much bigger national problems. For example:

First. An ever-increasing decline in U.S. productivity—in part due to governmental policies which circumvents the cost economics of the free marketplace; stifles incentives; and discourages private capital formation.

Second. Governmental regulation of industry administered politically rather than scientifically.

Third. Enormous future demands for capital from both private and public enterprise.

Fourth. Increasingly obsolete facilities of basic U.S. industries.

Fifth. Development of full-blown, worldwide markets and competition.

Sixth. Unfair international trade practices with business/Government partnerships.

Many basic industries are in serious trouble (auto, steel, chemical, energy). All are destined for "future shock" from compression of change over a short-time span. The final decision reached on the Chrysler bailout is of much less consequence than the concurrent structuring of sound policies and strategies that will enable us to anticipate and respond with due deliberation to the future "Chryslers" in American industry that are just over the horizon.

The present administration's proposal poses serious concern due to the tacit acceptance of a one-option solution to the problem.

PROPOSED LOAN GUARANTEE

First. Are loan guarantees the correct solution to assure survival and expansion of the most cost-efficient/market-sensitive productive capacity in America? Testimony from various expert and reputable sources indicates otherwise.

Second. With the future "Chryslers" on the horizon,, and with the future "loan guarantees" that will surely be demanded, and with the inevitable failure of some such "bailout"—are we not headed on this one-way track to the British disease?

BANKRUPTCY IS A VIABLE ALTERNATIVE

First. Will a governmental treasury-administered plan for Chrysler's possible survival indeed be superior to a plan administered through the readily available, duly legislated, Bankruptcy Act? The act has been rewritten to help in the rehabilitation of corporations. Again, reliable testimony indicates otherwise.

Second. The administration's proposal is based on Chrysler's contention that bankruptcy as an alternative would lead to loss of management, market, and abandonment by Chrysler dealers. This assumption is questionable at best—no expert inputs have been forthcoming to support that contention. Does not Chrys-

ler have as much to lose from the inevitable resentment from taxpayers and the multitude of small business owners who are denied the same safety net by Government?

Third. There is still time for Government assistance after bankruptcy proceedings with its special provisions for restructuring of debt, reorganization of management, and requirements for self-help from vested interest. Why throw out a century's experience in these matters for a politically appealing, untested alternative?

MORE EFFORT FROM CHRYSLER AND VESTED INTEREST SHOULD BE AN ABSOLUTE REQUIREMENT

First. Employees of Chrysler (UAW) have made few concessions. Why are the taxpayers being asked to guarantee Chrysler's loans to give UAW workers more than 10 percent per year wage increases when Federal workers are asked to stay within a 7 percent maximum wage increase for the sake of fighting inflation?

Second. Chrysler management's plan is singularly lacking an initiative for programs which would kindle incentive, increase productivity, or would require the Chrysler/vested interest to assume the additional debt/equity risk so necessary to the promise of success.

Some myths about the Chrysler problem include:

First. If Chrysler does not get Government aid, it will stop making cars.

Second. If Chrysler does not get help, all of its employees will be fired.

Third. If the Federal Government does not help Chrysler, there can be no solution to its problem.

Fourth. Chrysler dealerships will close if the Government does not help with its cash flow problem.

Fifth. That claims against Chrysler, by consumers, bankers, suppliers, dealers, and so forth, would be protected if the Government makes the loan guarantees now requested.

Sixth. That bankruptcy means an end to Chrysler.

Seventh. That the Nation's economy is too fragile to handle the task of undergoing a reorganization of Chrysler.

Eighth. That there is no existing way of handling a Chrysler-type problem.

Ninth. If we say Yes to Chrysler, we can say No to the next corporate giant that wants the Government to lend it funds.

Tenth. That helping Chrysler will not have any effect on the economy, even though the Government would be borrowing (indirectly) in the money markets and thereby competing with private capital needs.

Eleventh. That Chrysler employees are making a significant sacrifice when the average hourly pay is $14.50 an hour and the average annual wage is $20,000.

Twelfth. That a shortrun solution must be made without consideration to the longrun problem of a Government policy that weakens the established ability of business to contribute to the national economic health.

Thirteenth. That there is no relationship to what we are being asked to do for Chrysler and the history of what happened in England that led to the nationalization of major British industrial giants.

Fourteenth. That Government, if it helps Chrysler, will not be going into the auto business in a de facto manner.

In terms of the proposal before us, we should ask: Are we directing all of our concern toward the success, rather than the need, of this operation? Where are we if the operation succeeds, but the patient dies? Is this proposed questionable precedent one more step in the process of surveying the boundaries of a cemetery for corporate bodies where the economies of competitive free enterprise will be laid to rest with the name Chrysler on the first headstone? Perhaps sympathy for the Chrysler economic family should be—not for the possibility that the loan guarantee might be denied—but that it might be granted.

As I said a moment ago, I think that the strategy of the administration and the people who control this Congress is to ram this legislation through without complete study and without full examination.

I think that we should make the decision about aiding Chrysler in a much larger context and after due deliberation.

Is not the burden on Chrysler to prove their need, and have they discharged that burden?

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

Mr. BETHUNE. I yield to the distinguished ranking minority member on the Committee on Banking, Finance and Urban Affairs, the gentleman from Ohio.

Mr. STANTON. I certainly appreciate my friend and colleague on our Committee on Banking, Finance and Urban Affairs, the gentleman from the great State of Arkansas (Mr. BETHUNE) for yielding.

The first thought that comes to my mind is to congratulate him for bringing to the attention of the House the first colloquy that I know of in regards to this subject of the bailout of the Chrysler Corp.

I think that the gentleman has just made a significant statement. When the gentleman spoke about the fact of the time element involved and the need for the necessity of hurrying the legislation through the legislative process, in all fairness, this has put a tremendous burden upon us who serve on the committee and who recognize that the No. 1 legislative responsibility of the subcommittee or the committee is to present to their fellow colleagues on the House floor the best legislation that they can conceive of, regardless of whether they are for or against the legislation.

In this regard, the hurry-up process has been accomplished by the administration in presenting a plan to the Congress a week ago Tuesday, having 1 day of hearings on Wednesday and passing out of our subcommittee the following day.

We met today in full session before the full committee with a slate of witnesses only because the minority side insisted and was acquiesced to by the chairman of our committee, the gentleman from Wisconsin (Mr. REUSS), to have hearings to gather information to be able to present to our colleagues to the best of our ability our vote of yes or no and why we feel that way.

What the gentleman has said in regards to the support of the legislation from a political point of view as far as the White House and United Auto Workers are concerned, let us, I think, make clear at the very start as we consider this legislation in a couple of weeks on the House floor, let us seriously consider, and let us not blame Jimmy Carter for this alone, right or wrong, depending on how we feel about it.

I think we should make clear for the record members of our party strongly support this legislation for one reason or the other.

I would say that our friend and former colleague, President Ford, has called me personally to see if there is some way we can get this legislation through.

A good friend, and friend of many of us, Bill Milliken of the State of Michigan, a great Governor, certainly wants us to do our best for the legislation.

Our own chairman of our Republican Party, Bill Brock, has called to see and remind us that this legislation may have some type of effect down the line as our great party goes to Detroit in July, and keep that in mind.

Let us clear the air once and for all that pressures from political parties in this particular instance is, I think, nonpartisan.

It is going to be a question of each individual Member making up his mind. This is where I share with the gentleman in the well our great basic responsibility to come to the floor when the time comes and can honestly tell our colleagues we have considered this legislation, "This is the best. This is how Joe feels about it. He is opposed for this reason, and Andy's for it because of this reason."

Then we fulfill our basic constitutional responsibility.

I once again congratulate the gentleman in the well, and in the weeks ahead, I am sure we are all going to have a great deal to say about this legislation. I compliment the gentleman for the position he has taken today.

Mr. CHARLES H. WILSON of California. Mr. Speaker, will the gentleman yield?

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

Mr. CHARLES H. WILSON of California. May I compliment the gentleman from Ohio for his remarks.

I was over sorting mail from my district. I had my television on.

I heard the statement. I could not believe it. I thought the gentleman was a great supporter of private enterprise, and I think the guaranteed loan is intended to support. The gentleman, I am sure, is aware of the Lockheed loan, where the Federal Government made money on the loan. All of the money was paid back, and the interest that was gained by the Federal Government actually made a profit for the Federal Government.

Very frankly, I think that had our Government made guaranteed loans available to our steel industry, had we made

guaranteed loans available to our textile industry, they would not be now in the position they are in in competition with West Germany and with Japan. I think they would have had the opportunity to modernize their equipment and make themselves competitive with the foreign interests which have taken away the great play from our country in these areas.

I just honestly feel that the jobs that are involved, the number of workers who will be affected by this is so important to the economy of our great country that we have to do whatever we possibly can.

It hurts me when I see a gentleman who I feel is as responsible as the gentleman from Arkansas (Mr. BETHUNE) make a statement in opposition to what I think is a very fine program.

Mr. BETHUNE. I thank the gentleman for his observations.

I would say that there are a number of myths about the Chrysler bailout. One of them is that a guaranteed loan costs nothing.

In the situation of a guaranteed loan, the Government is diverting credit from sources that would otherwise get it in the free marketplace.

Aside from that, I think this case can easily be distinguished from Lockheed.

I think it can easily be distinguished from New York City and Penn Central. I will do so as the debate ensues.

I would say this, that whatever facts and issues arise throughout the Chrysler debate, I think that, as the gentleman from Ohio has mentioned, the burden of proof in this instance is on Chrysler. They are here hat in hand.

The burden of proof is on them and remains on them, and to date they have not discharged that burden of proof to my satisfaction, and I think to the satisfaction of a number of people in this Congress.

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

Mr. BETHUNE. I yield to the gentleman from Florida.

Mr. KELLY. I thank the gentleman for yielding.

I think that our colleague who is concerned about the gentleman's love for the free enterprise system really need not concern himself, because the legislation that the gentleman in the well refers to is going to have enough things hung on it so that everyone will be satisfied.

The chairman of the full committee, for instance, has an amendment that will have the Government deciding the kind of cars; and not only will they get a loan guarantee, but we are going to tell them how to run their business and what kind of cars to manufacture and whether they should stop manufacturing cars and go into mass transit systems. Then they are going to help them a little bit further, I presume, by in some way telling the American public that they have got to buy those cars whether they like them or not.

□ 1750

I think it is consistent with the gentleman's suggestion. The Members of Congress know better than the members of the general public about what kind of cars they want and how to spend their money. For instance, in this very case, this is not just a loan guarantee program, it is a subsidy. There are going to be millions of dollars of subsidy that will go to Chrysler, the 10th largest corporation in the United States. I will ask the gentleman in the well if that is not the case.

The testimony we had in committee today was that the current market for Chrysler would be somewhere between 15 and 20 percent. The expectation of the Secretary is that Chrysler will only be charged about 10 percent at the hands of the Government, so while the taxpayers are paying 18 percent on their consumer financing, Chrysler will be able to get theirs for 11 percent.

I think probably the gentleman in the well and I just did not really understand what love of free enterprise meant.

Mr. BETHUNE. I thank the gentleman. If the gentleman will accommodate me, I will be happy to yield, but I have committed to other Members earlier in the day to share with them the time in the special order.

Mr. CHARLES H. WILSON of California. If we have more time left, I would like to ask a question through my friend from Florida.

Mr. BETHUNE. Mr. Speaker, I yield to the distinguished gentleman from Mississippi (Mr. HINSON).

Mr. HINSON. I thank the gentleman from Arkansas. I am a member of the committee and the subcommittee and I have observed throughout the hearings these hearings have only superficially addressed the problems of Chrysler, and particularly where it relates to a more or less continuing recession in automobile sales as a result of petroleum shortages. This alone is a very significant oversight when it comes to considering the problems that have arisen at Chrysler.

There are numerous management decisions that were made that were absolutely free of any Government intervention and not related in any way to Government rules and regulations that clearly indicate that Chrysler management made major errors that have brought it to this present state.

What is its answer? They go to their unions and their unions turn them down and will not defer scheduled wage and price increases. They will not accept pay cuts. They go to the city and the State and local governments, all of whom have offered help in one way or another, but the accumulation of evidence seems to indicate that that is not sufficient.

What is their response? They come and say "Big brother can you spare a dime?"

I think it has been very clear from the evidence presented before the committee that Chrysler's problems could be substantially resolved if all of these non-Federal parties were willing to accept the sacrifice and the risks that are inherent in the relationships that they entered into voluntarily. I suggest that the committee ought to be requiring further sacrifices, further involvement by the non-Federal parties before we start considering the area of Federal loan guarantees.

Let me also point out that the bill calls for direct loans. It provides the Secretary of the Treasury authority to provide direct loans in very substantial amounts if commercial credit is unavailable. I assume this would be discounted through the Federal financing bank which would, I understand, in effect, throw it off budget. We are talking about financing a billion and one-half dollars of Federal deficit and not having it show up anywhere in the Federal budget. I consider that to be an irresponsible act in itself, and I intend to offer an amendment during the committee consideration that will address that problem.

But nevertheless, I think it is a major factor in my decision, at least, to oppose the bill at present. I thank the gentleman for yielding.

Mr. BETHUNE. I thank the gentleman. He made a point that I would like to add to, and that is the possibility of a direct loan, which causes me to remember some of the testimony in the Committee on Banking, Finance and Urban Affairs which tells me that there are a number of hidden features in this legislation. The Secretary, as I indicated earlier, has carte blanche authority to involve himself in the affairs of the Chrysler Corp.

Furthermore, I am concerned that in this process, we leave so very vague in the descriptive language in the bill that we are avoiding a number of the safeguards which are set up in the brandnew bankruptcy code which would apply to other businesses in this same or similar circumstance. There are a number of features in the new bankruptcy code which I think are excellent, calling for the appointment of an independent examiner to determine whether there has been any dishonesty, fraud, gross mismanagement and so forth. All of that is skirted by this bill which creates a special process for Chrysler Corp.

I yield at this time to the gentleman from California, a member of the committee (Mr. SHUMWAY).

Mr. SHUMWAY. I appreciate the gentleman yielding and appreciate his obtaining this special order in order that some of us who have been very involved in the Chrysler hearings for some weeks now may have a chance to comment and give our impressions.

With regard to my distinguished colleague from California, the question he raised regarding our support or lack of it for the free enterprise system, I would simply like to make the point that in this case we certainly have a free enterprise. Many of us are very committed to preserving it as a free enterprise. But I would suggest to the gentleman that the loan package, as it has recently been proposed by the administration, envisions a matching program of a billion and one-half dollars for a similar sum raised by the Chrysler people. It envisions a continuing program to be enfolded during the next 3 years where the Federal Government will play a very key role in financial planning and the financial affairs of the Chrysler Corp. It gives the Federal Government, through the Treasury Department, the say-so to intervene

insofar as management decisions, and even personnel decisions made by Chrysler.

I suggest to the gentleman that those steps, if nothing more, would signal to me that we have effectively placed such a stake in the ongoing operations of the Chrysler Corp. that it no longer exists as a free enterprise, but we have, in effect, nationalized it because thereafter, should Chrysler not meet the optimistic projections which they have made to us, and have continued financial difficulties, and find it necessary to come back for further assistance, I suggest that we would then have no choice because of the size of the stake and because of the role we have played in the management of Chrysler. We would then be committed, and, indeed, feel committed to continue to pump taxpayer dollars into that corporation.

That being the case, I would suggest we have stripped from it any aspect of it being a free enterprise existing on its own merits in a competitive marketplace, but we have nationalized the company and effectively taken it over as an arm of the Federal Government. That does not serve the principle of protecting and preserving the free enterprise, as many of us believe it should be protected in this country.

Those are some of the considerations that loom large in my mind as I feel constrained to support the gentleman from Arkansas in addressing these issues. I only wish that the gentleman from California as well as many others of our colleagues had the opportunity to sit with us through the several weeks now of subcommittee hearings when we have repeatedly propounded some of these questions to witnesses who have come before us, only to receive back their evasive answers or, in many cases, very self-serving answers. We, of course, have heard from the bankers who have a direct involvement. We have heard from the parts suppliers who necessarily are dependent upon Chrysler. We have heard from Chrysler management. We have heard from the congressional representatives and the others.

I would suggest to the gentleman as well as my colleagues that much of this testimony has been self-serving and really has not been of the objective quality that one would expect to be supplied to a subcommittee such as ours in making a decision with very far-reaching implications as this one has. Not only are we talking about a large amount of money here, but we are talking about extremely important precedents. I think the question is a significant enough one that we should be giving great time and attention to it at the subcommittee level, and now at the full committee level before it is reported to the House for action here on the floor.

I thank the gentleman for yielding.

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

At this time I would yield to a member of the committee, the gentleman from Texas (Mr. PAUL).

Mr. PAUL. I thank the gentleman very much. I appreciate the effort made by the gentleman from Arkansas in bringing this before the House.

I would like to take a few minutes to give a few points about this problem that we face with the Chrysler bailout. There are various problems. I would like to address the problem of the high wage rate more than the others, but just briefly, the overall problem involves the excessive regulation that Chrysler and the other automobile dealers have been forced to face.

We live in an age when taxation is outrageous. We live as well in an age where all business people have to deal with inflation, which makes it very difficult for businesses to survive.

□ 1800

The age of inflation lends itself to bad management, and we certainly have had some bad management in the past with Chrysler, but the margin of error is greatly reduced when we have inflation. We also have the problem of foreign competition, but that is also characteristic of a country that is inundated with regulations, taxation, and inflation. So, all these problems exist, and I do not ignore these, but I want to address more fully the problem with the wage rate, because this is a serious problem and has a lot of bearing on this bailout we are considering.

Wages can be high, that is artificially high, for one of two reasons. They can be pushed high artificially by very strong labor union pressure. They can also be artificially high due to a recession. When there is a recession, corrections have to be made. Dividends go down, profits go down, wages should go down as well. In the 1930's, artificially high wages was a very specific problem, and it was addressed poorly. Wages were held high for a long time. As a matter of fact, in 1936 when Keynes wrote his general theory, he addressed this problem specifically and said, it would be best we never allow wages to drop in the normal sense, but we will deceive the workingman by lowering his real wage by inflating and diluting the value of the money, and let the real wage drop and the workingman will not know any different. Thus accomplishing the correction in a deceptive manner.

So, there has been a deliberate economic policy and a policy of Government over the past 40 years to deliberately inflate. The important thing here to realize is that this wage problem, where a UAW worker may be making $15 per hour and the average industrial worker is making $7 an hour, the UAW worker makes twice as much. He is very happy and delighted, but it is at the expense of somebody else. It has to be at the expense of a lower wage someplace else or unemployment someplace else. It goes to prove that we do live in an age of "Government with clout."

If you are a big company or belong to a big union, your chances of benefiting in this economy are much greater; much greater than if you happen to be an individual or small businessman and you face the same problems. Under these circumstances you are more likely to be allowed to go bankrupt. It happens that nearly 200,000 people went bankrupt last year who did not get any assistance from the Federal Government.

So, a moral question is involved here as well. The moral question is, does bigness qualify you for bailouts, where smallness allows you to be neglected?

There is an important issue here regarding wages and capital. There is a serious misunderstanding about what capital is. Real wages only can go up when there is proper capital investment. Real capital investment can come from only one source, and that is from savings. This savings must be taken and put into technology. When it is put into the equipment and tools of business and you increase productivity, then the real wage can go up. The real wage cannot go up if productivity does not go up. If you do not have capital, you cannot increase the productivity.

We have been living in a bit of misbelief here for the last several decades because productivity has not gone up, but we have continued to deceive ourselves with the inflationary game.

Mr. CHARLES H. WILSON of California. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. CHARLES H. WILSON of California. Mr. Speaker, I am not going to make the point of order, but the gentleman from Arkansas should stay at the microphone. He has the floor.

The SPEAKER pro tempore. The point is well taken. The Chair understands that the rule is that the gentleman remains standing, and he is standing.

Mr. PAUL. If we do not have increased productivity, we end up with economic problems of some sort. We then need to get capital from another source, and this is what we have been doing. We have been getting pseudocapital from inflation. We create the credit out of thin air and we call this capital. But, this lends itself to misdirection and malinvestment.

Alan Greenspan, when he was before our committee, testified that he thinks the increase in the credit from our guaranteed loans is the most important contributing cause to inflation. The reason credit is expanded is because of the guaranteed loans given for political reasons.

The argument Chrysler presents to us is very legitimate. They say this is nothing new, and I agree. This is part of the system we have had. It is part of the reason we are in trouble today. According to the testimony of Lee Iacocca, our Government now guarantees loans on $400 billion. So, what is another billion? We say the immediate disaster is that somebody is going to lose their jobs. One more billion, what difference does it make?

Dr. Greenspan made a very good medical analogy to this. He compared this to that of smoking and with cancer. Smoking cigarettes over a long period of time we know causes cancer, but does one cigarette during the day of a lifetime make a difference? When you think of it that way, probably one cigarette, whether you smoke it or not, does not make the difference, but if you continue with the bad habits eventually you kill the patient.

Let us hope we can save our economy and our political freedoms.

So, the $1 billion probably is not going to make an immediate difference to the inflationary process, but it will contribute—it will contribute much more so than anybody thinks. We think of $1.5 billion. The marketplace will not provide it, so we must create the credit. When we do, as that money circulates through the banking system, the $1.5 billion has a multiple effect and will eventually result in $9 billion circulating in the economy. It may not make an immediate difference if we do give the $1.5 billion right now, but if we do not, if we finally stand up and say, "There is something wrong with our economic system and our political structure," and put our foot down, that will make a difference. We can change the disastrous course of events we are now facing.

That is what we need to do. We have been continuing on the same road for year after year, and unless we finally get to the point where we say, "Let us quit this. Let us get off this binge. Let us tighten up our belts and stop it," I believe that will make a difference.

Von Mises, who happens to be the greatest free market economist of this country, has something to say about capital formation. He says:

> The source of capital that leads to genuine economic growth must itself be legitimate. Specifically, "expansion of credit cannot form a substitute for capital." The facile expansion of credit through governmental manipulation is spurious and deceptive; there is an illusion of increased wealth rather than the reality. Genuine capital, and thereby genuine economic growth, must come from bona fide savings.

He continues:

> Capital is not a free gift or God or nature. It is the outcome of a provident restriction of consumption on the part of man.

He concludes by saying:

> The Santa Claus fables of the welfare school are characterized by their complete failure to grasp the problems of capital.

Unless we grasp this problem of capital and unemployment and the need to have wage adjustments, we are going to continue on the road to disaster. We are going to have a calamity, and we will postpone it for another day or two but when it finally comes, the unemployment and the problems in this country are going to be overwhelming. I just hope that we can prevent this from happenin-

The wage settlement recently made by the UAW has a $500 million increase built into it over the next 3 years, figuring an 8-percent inflation rate. Everybody knows that the inflation rate is going to be higher than that. That is 3 years. The time of the loan is 10 years, so in essence the $1.5 billion can be said to be going directly to subsidize wages of a special group who belong to a big union, and there is only going to be one group who is going to pay for it, and that is the little guy who does not belong to the big union. It is not going to be paid for by the corporation. The corporation is going to continue his success in obtaining corporate welfare. It is going to be the little guy who does not have clout, who makes $3 or $4 or $5 an hour, who is going to pay for all this in the grocery store.

This is the tragedy we face. Would it not be better for us to allow some wage adjustments to occur? What would be so tragic to see a 10-percent reduction in the wage of somebody who is making twice the average industrial wage?

It would preserve their jobs, and it would preserve Chrysler. That is what needs to be done. They argue also that if we do not do this, everybody is going to suffer. There is going to be huge unemployment. Everybody in Chrysler is going to be unemployed, assuming there are only two choices—bailout or bankruptcy with failure of the company. Pan American was in trouble once. They threatened us, and they said they may go bankrupt and wanted some help. They survived without a bailout.

□ 1810

Even if Chrysler declares bankruptcy, there is a very good chance they could survive, but to prop them up and subsidize inefficiency at the expense of the little man is just not right. Chrysler also faces paying $13.6 billion next year in capital expenditure. They need real capital to pay for it. They are going to come to us and get artificial capital, that is, we are going to print it up or create credit, and they will get the money. But of the $13.6 billion they need, one-half is necessary to fulfill Federal regulations. That is outrageous. If we just got rid of the Federal regulations or part of them, we could provide the $1.5 billion or more, but it seems like we perpetually do the same thing. We create all the problems here in Washington. The people become dependent and do not know what else to do out in the countryside but come back to Washington and beg and plead for more help. And, of course, we oblige and give it to them and make the problem that much worse.

I think we have only a short time to realize what we are involved with here and realize that we must decide in economic terms and on moral grounds that this is really an illegitimate request. We will only participate in the fraud that has gone on and the bankruptcy that we face as a nation will become inevitable. To me it is a choice not between the bankruptcy of Chrysler or not to have the bankruptcy of Chrysler; it is the bankruptcy of Chrysler versus the bankruptcy of this country. I am not even sure if we quit all of this nonsense if this country can survive because of the huge debt hanging over us. But I think the effort has to be made, and to continue with one more cigarette down the line of another cancer I think is something that is intolerable, and I do not think the American people want it.

Mr. BETHUNE. I thank the gentleman for his important contribution.

Mr. CHARLES H. WILSON of California. Mr. Speaker, will the gentleman yield?

Mr. BETHUNE. I yield to the gentleman from California for a brief comment.

Mr. CHARLES H. WILSON of California. I appreciate the gentleman's yielding. I am a little surprised at the type of statements that are being made here this evening. I hope this has not been put together as an antiadministration thing. I think we are going to find that this is a bipartisan solution that we are trying to arrive at. I have no Chrysler agency in my district. I am from California. They have closed everything out there. I am a little at a loss for words and a loss of information, because I am not from Michigan. I tried to catch a couple of my Michigan colleagues as I came in. But I was so surprised, as I indicated to the gentleman earlier, that as I was finishing up the work in my office and I was watching the special order on the television in my office that this type of special order was taking place.

I wonder how the gentleman and his colleagues who have been participating in this debate or this discussion would feel if we had some real tough tariff rates that would keep the foreign cars out of our country. Perhaps we could have a reasonable balance of payments then. Suppose we told the Japanese and West Germans that we are going to make them pay the same thing to bring their cars into our country that they charge us to take our cars into their country. I do not think this is a case of Chrysler being any less responsible to the people of this country than either Ford or General Motors.

I do not have too much to say, and I will be happy to stop and allow the gentleman to ask a question, but I just feel that this is an extremely unfair position to take with an American company when we are allowing all of these foreign imports to come in without any problem at all.

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

Mr. BETHUNE. I yield to the gentleman from Florida.

Mr. KELLY. I thank the gentleman for yielding.

I think my colleague, the gentleman from California (Mr. CHARLES H. WILSON), misunderstands the tenor of the exercise. What we are doing in the Banking Committee is we are being ripped off, and we should not confuse that with foreign competition. Chrysler and the UAW are perfectly able to handle this whole problem themselves, but they are consistently refusing to do that because they think that they are going to be able to come to this Congress and get a decided advantage and subsidized interest rates and a billion and a half dollars in capital that will give them an advantage over their competitors, both foreign and domestic. The way that this comes down is something like this: The UAW workers before they got a 33-percent pay raise were getting more than 100 percent more than the average production worker in the United States. But now what they want to do is they want to get an increase in wages by 33 percent that will cause them to be approaching 150 percent more than the average production worker. And then they want to do this in violation of the wage and price guidelines, and they want the American taxpayers to take the risk. This is further exaggerated by the fact that Chrys-

ler through mismanagement, bad government, and caving in to the unions have put themselves in a position where quite clearly they do have some difficulty. They can extricate themselves, but they are not willing to pay that price. What they want to do is they want the taxpayers to do it for them.

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

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

Mr. PAUL. I thank the gentleman for yielding. I would like to make a comment on the question of the tariffs. The tariffs would not be a good idea because it compounds the problem. It is another Government action to interfere in the marketplace. The important thing to remember when you are deciding whether or not to interfere in the marketplace is that in a free market, if that is what one advocates, and that is what almost everybody gives lip service to, if one advocates the free market, he must always think the consumer is the king—not the businessman or the labor union, but the consumer is the king in the free market. Therefore, if the cost of an automobile or a TV or whatever is lower coming from the foreign nation, the consumer has a right to purchase it and we should not interfere with his right.

One may say,"Well, what about the jobs that might be lost because we cannot compete? And what about the businessman who might go out of business?" That is a real concern, but one reason why we should not try to solve that problem with tariffs is we should look at the cause. The reasons we do not compete are very, very specific. One is inflation. The second is regulation and taxation. When you have high rates of inflation—and ours is higher than any other Western nation—it makes it very difficult to compete. Therefore, we compound it if we go ahead and interfere another time.

Traditionally, over the past 100 years it actually has been the Democratic Party who has advocated free trade and has fought against tariffs. I think tariffs would be a very bad idea and would not help the consumer. We must protect the consumer in the free market.

Mr. CHARLES H. WILSON of California. If the gentleman will yield, is the gentleman coming over to the Democratic Party?

Mr. PAUL. I really have not considered it. If they would truly promote the free market, it would be a consideration.

Mr. BETHUNE. I thank the gentleman. I can understand the gentleman from California's frustration about the lack of information on this issue.

□ 1820

I can understand that upon seeing us on television in the office that the gentleman might have felt that we were getting an advantage here in the Congress by taking up this special order wherein most of us have struck themes that indicate we are tending to oppose the Chrysler bailout; but I would say to the gentleman that this has been moving through the Congress now for several weeks. Only today have any witnesses been heard that seriously oppose the legislation, because those who control Congress on the majority side have suppressed every effort, save one, of the minority, to bring out the other side of the issue.

Mr. KELLY. Is this true in the committee, too?

Mr. BETHUNE. Yes; this is true in the committee and I would yield to the gentleman from Florida, who has personal experience with this to point out why we are here tonight to try to bring the other side of the issue to the attention of the Members.

Mr. KELLY. Mr. Speaker, I thank the gentleman for yielding.

Let me try and help the gentleman demonstrate his point. Is this not what we are learning in the committee, that Chrysler through mismanagement and otherwise has got itself in such a position that the best financial, industrial, and technical minds in this country have refused to invest in Chrysler in its present condition?

Chrysler then has come to the Government and has asked the Government to invest $1½ billion in Chrysler.

Now, quite clearly, if we are going to invest a billion and a half dollars, we should invest a billion and a half dollars in the best investment we can find. It is the people's money. We hold it in trust.

Mr. BETHUNE. I would like to know what is the best investment.

Mr. KELLY. The best investment is that which will produce more goods of better quality at the cheapest price for the American people.

Now, the bill that we have before us provides that Chrysler can only get this money if they cannot borrow anywhere else, which means if their management is so lousy that they do not have credit, then we will give them the money; but certainly Chrysler is not the best investment, and the way we know that on the committee is because if it was the best investment, then the people on Wall Street would be investing their money on a voluntary basis; but for purely political reasons, for purely blatent political reasons, Chrysler has come to Congress and has said that, now, the unions are going to lose their jobs. Their wives and children will have difficulty. Now, to save them, we need to invest a billion and a half dollars in Chrysler; but this Congress represents all the people and we need to take care of everybody's wives and children, not just those at UAW that have a lot of political clout.

What we should be doing is investing money if we are going to invest anything in the best investment we can get, which means that we do not have the ability here in this Congress. We are not financiers. We are not industrialists. We are not technologists and we should not be trying to run business.

What we should be doing is quit overregulating business so that they can operate in an efficient way and then we do not need tariffs, because it is my belief that the American people, freed of over-Government regulation and freed of overtaxation and being discouraged in savings will be able to outwork and outcompete and outproduce any industrial nations on the face of this Earth, because right now we produce more than all the Communist nations in the world combined, just this one Nation alone; but much of our production is misdirected because of Government distortion of the economy, Government destruction of the ethic of saving.

This is what we are finding in the committee, that Chrysler is trying simply in a blatant political fashion to get an advantage, a financial advantage, a political advantage over its competitors and at the expense of other workers in the economy.

Mr. BETHUNE. Mr. Speaker, I would add to the gentleman's statement and explain to the gentleman from California that to date, until today when the gentleman from Ohio (Mr. STANTON) was able to get some witnesses there who had not been chosen by the administration and by the committee, that all the witnesses we had heard, save and except Mr. Greenspan who came at the insistence of Judge Kelly, had been carefully chosen by the administration and by the majority, and that the points that the gentleman from Florida (Mr. KELLY) is making were brought out of the witnesses chosen by the proponents of the bailout only by continued perseverance on the part of the members of the minority. It was like pulling teeth to get them to say anything negative about this bailout plan, but they did and it is in the record.

So the point I want to make is that we are learning that the strategy here is to push it through as fast as you can, hold as few hearings as you can, bring it to the floor as quickly as you can, because what they are learning from us in the minority and in the committee is that the more you chew on this Chrysler proposition, the bigger it gets and the less likelihood there is of passing.

Mr. Speaker, I yield to the gentleman from California (Mr. SHUMWAY).

Mr. SHUMWAY. Mr. Speaker, I thank the gentleman for yielding.

I would like to say with reference to the comment that my colleague, the gentleman from California, regarding the imposition of restrictive tariffs, it seems to me that is a good question and that is exactly the kind of thing that should have been reviewed by our subcommittee and should have been looked into as possibly an alternative or possibly a better way of proceeding; but because of the kind of haste this bill has had attached to it, we have not had time, we have not had the opportunity to really give our attention to questions like that.

I suggest to the gentleman that that is one of the reasons that some of us here tonight are very upset about the fact that this bill is now coming to the full committee for markup. That is going to ensue tomorrow and the proponents of the bill would like to bring it to the floor by the end of this week.

Mr. CHARLES H. WILSON of California. I wish the gentleman would wait until after the first of the year. I was hoping we could have a little pro forma recess or something.

Mr. BETHUNE. We were hoping the same thing.

The SPEAKER pro tempore (Mr.

WHITE). The gentleman will desist at this point.

The Chair would respectfully urge that Members seek time in the accepted fashion by asking the gentleman in the well to yield.

Mr. BETHUNE. I thank the Speaker.

I yield to the gentleman from Florida.

Mr. KELLY. Mr. Speaker, consistent with what is suggested here, I would like to ask the gentleman in the well, has the committee that has jurisdiction over the Chrysler question received any kind of request, either from the administration or from Chrysler or anyone representing either one of them for any kind of relief from the overregulation or the imposition of Government that has contributed to Chrysler's condition, any kind of a solution to any of that, or has it just simply been a straight proposition, "Give us money," and without any interest at all in trying to solve the problems that have caused Chrysler's condition.

Mr. BETHUNE. Mr. Speaker, I think the gentleman makes a good point. The proponents of the legislation, having laid down the predicate that they are here hat in hand because of over-regulation, have abandoned that tack and are simply now asking for bailout and direct loans which could go on ad infinitum.

Mr. KELLY. Mr. Speaker, would the gentleman yield for another question?

Mr. BETHUNE. Yes.

Mr. KELLY. Does the gentleman recall that when the President of the UAW, Mr. Fraser, appeared before the committee, that he testified that the reason he had not agreed to any kind of a cut in wages on behalf of his membership is that no one had ever asked him; so the American taxpayers are being expected to bail out Chrysler and being expected to bail out the overpaid membership of the UAW, when the UAW by the management of Chrysler have never been asked to take a pay cut. As a matter of fact, instead, they have negotiated a pay increase.

Mr. BETHUNE. Well, if I am not mistaken, it was the gentleman from Florida who engaged Mr. Fraser of the UAW in that colloquy which brought out that piece of information. That was the point I was making a moment ago, that it has been like pulling teeth to find out what potential there is for some other option, other than the administration plan.

The gentleman got the gentleman from the United Auto Workers to make that point. That I think ties nicely into the way that I started this special order and that is so long as this Government is ready, willing and able to bail out people who are in trouble in the private enterprise system at the first call, they are not going to pursue all the things that might be available to them otherwise. They are going to lay down that heritage and tradition that we have in this country of self-help, because the pressure is off. As soon as they come here and there is an indication that they are going to be helped by Government, they immediately abandon all other efforts.

In fact, just today we had testimony from a man who fashioned this rehabilitation plan for Chrysler and he indicated quite openly in the testimony that he had no other backup plan. This was it. It is the whole ball game. Yet all the testimony that we have seen in the Committee on Banking indicates that there are numerous options available, not the least of which is a proceeding under chapter XI of the brand new bankruptcy code, which is not something that means absolute liquidation or going out of business.

Mr. KELLY. Mr. Speaker, would the gentleman yield for another question?

Mr. BETHUNE. Yes, I yield.

Mr. KELLY. I would like to ask the gentleman this. In the press, in the media, in every phase of the media, it has been reported that the membership of the UAW has made sacrifices in order to help the condition of their company, Chrysler.

I ask the gentleman if the testimony in the committee has not clearly indicated that that is an absolute, unmitigated and total distortion, because the truth is that the unions have gotten a pay raise and have sacrificed nothing.

Mr. BETHUNE. I think the gentleman brought it out in today's testimony in the committee, that in fact the union workers are going to have a $1 billion increase in this next year and would have had a $1.2 billion increase. That point was made, but there is no concession being made.

□ 1830

Mr. CHARLES H. WILSON of California. Mr. Speaker, will the gentleman yield?

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

Mr. CHARLES H. WILSON of California. Mr. Speaker, I understand that the gentleman from Texas (Mr. PAUL) has an additional special order for 1 hour, and I will ask for another hour if we need it. I hope we do not have to do that because I think it is an imposition on the Speaker and all the other Members.

I hope that I have not fouled the gentleman's program by coming over here, after watching the television, and indulging in this debate with him. Perhaps it has contributed a little bit to it.

The gentleman from Florida (Mr. KELLY) has spoken about the UAW and his opposition to some special deal they are getting. The gentleman is not telling me, is he, that the UAW is getting something special out of Chrysler that is over and above what they are getting out of Ford or General Motors or anybody else?

Mr. KELLY. Mr. Speaker, if the gentleman will yield to me, I will answer that.

Mr. BETHUNE. I yield to the gentleman from Florida to answer the question that has been asked.

Mr. KELLY. Mr. Speaker, I thank the gentleman for yielding.

Yes, I mean exactly that. Chrysler, the parent company, says it is bankrupt. It says it now needs to come with a tin cup begging the American people to help it so it will not lapse into a state of welfare and bankruptcy.

In this context, the union has now bled them for another $1 billion, and the proposition is simply this: That "If you will bail us out, then we will bleed you for another billion dollars, and then we will just hand the American people an increased bill for their cars. Their cars will cost more as a result of this benevolence. You will have the pure privilege of paying more for your automobiles, and you will have further destroyed the free enterprise system. You will have done all of these things in order that we may have a pay raise while the corporation that we serve crumbles about us."

Mr. Speaker, that is exactly the context in which this is being done.

Mr. CHARLES H. WILSON of California. Mr. Speaker, will the gentleman yield?

Mr. BETHUNE. I will yield in just a moment, but, Mr. Speaker, I would like to say before yielding that I am delighted that the gentleman from California (Mr. CHARLES H. WILSON) did come over. I think the gentleman has made some excellent contributions. The gentleman has gotten us into some colloquies which I think have importance and have contributed to the discussion.

We had no intention of coming here and trying to present a closed special order—all one side. We believe in free speech, and we believe that both sides should be heard. It is only when we hear the argument that does not ring true that we can recognize the argument that is true when we hear it. So I appreciate the gentleman's coming over.

Mr. Speaker, I yield to the gentleman from California (Mr. CHARLES H. WILSON).

Mr. CHARLES H. WILSON of California. Mr. Speaker, I appreciate the generosity of the gentleman in allowing me to participate in the debate. Again I must say that I am sorry that some of my good knowledgeable friends are not here.

I am not a member of the gentleman's Committee on Banking, Finance and Urban Affairs, so I cannot qualify as being an expert. During the first term after I came here to Congress I was a member of the Banking Committee, but I got off that committee because I could not get along with the chairman of the committee at that time.

Then I got on the Committee on Armed Services, and since I have been on the Committee on Armed Services I have found there are many experts who are not on that committee on how our national defense should be run.

So I am coming here as sort of a nonexpert in the banking business but as one who feels strongly about 540,000 people who could possibly be put out of a job if we do not give Chrysler this assistance they are asking for.

Mr. Speaker, is it the contention of the gentleman from Florida (Mr. KELLY) that we should not give this guaranteed loan, which is not any outright money, unless I misunderstood this thing completely? I am comparing it to the Lockheed guaranteed loan, and if there is something more involved in this, I would like to know what it is.

Mr. BETHUNE. Mr. Speaker, I would like to respond to the gentleman from California (Mr. CHARLES H. WILSON), if I can.

I think there are some distinctions that can be made. In the case of Lockheed, it was a manufacturer of goods,

many of which would be bought by the U.S. Government—in fact, many of which were bought by the U.S. Government.

There were many fewer people involved in the process; there were not so many distributors and ultimate consumers.

In the case of Penn Central, that can be likened to almost the closing of a major highway in this country.

In the case of New York City, it is a municipal government, a governmental entity, that was under consideration.

This is a privately owned manufacturer of consumer goods. There are many, many consumers, thousands of consumers involved, there are thousands of dealerships, and it is an entirely different ball game.

Mr. CHARLES H. WILSON of California. Mr. Speaker, there are a lot of subcontractors, I would like to add, that we are involved with.

Mr. BETHUNE. Mr. Speaker, I would like to say that I assume the gentleman knows we do study the issues. Having come here tonight, not being a member of the committee, and learning now through us that in the committee only one side has been heard until today, and that the other side is now beginning to surface, the gentleman will, I know, listen to all these arguments carefully. I rather suspect, when all the testimony is in and all the arguments heve been made, that the gentleman will find himself with us on this issue.

The SPEAKER pro tempore. The time of the gentleman from Arkansas (Mr. BETHUNE) has expired.

GENERAL LEAVE

Mr. BETHUNE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include therein extraneous matter, on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

INFLATION AND THE CHRYSLER BAILOUT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PAUL) is recognized for 60 minutes.

GENERAL LEAVE

Mr. PAUL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include therein extraneous matter, on the subject of my special order today.

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

There was no objection.

Mr. PAUL. Mr. Speaker, I would like to just make a few comments on this subject and then, if other Members want to participate and close up the discussion, we will be able to do that. I would like again to address the general subject of inflation.

The one characteristic of inflation is that it is never fair. There are some people who do benefit at the expense of others. There are immediate benefits for somebody, but there are some long-term periods of paying by others. I think this is one of the reasons why we are so untroubled about inflation, because we see and concentrate on the immediate benefit and we forget to look at what happens down the road.

Chrysler will receive quite a few dollars—in this case, $1.5 billion—and this is very easily seen because we can see the tens of thousands of jobs that are immediately on the line. When we take this funding and spread it out throughout the whole society and the whole country, each individual who has to pay this bill only has to pay a penny or two, and, therefore, he does not know that he is being ripped off. He does not see it, he cannot feel it, he cannot identify it, and above all he has nobody to defend him. So, therefore, the pain comes in small doses, it is very deceptive, and the process continues.

Inflation in the short run is much more "sellable." People will convince us that something that is done with Government action is beneficial. They say, "We are going to say that we will give you something, and you should look at the benefits. Don't worry about it. You don't have to pay for it." The cost and the pain comes later.

But what we are witnessing today is the paying off, period. We are starting to really pay for the extravagance. We are starting to pay for what Government has "given" all its people for so many years.

It is not the Government's fault. The Government is merely a reflection of the people, and people have come to the Government for handouts, just as Chrysler is coming and the UAW will come and continue to come.

As I said before, Mr. Speaker, this is not new. We are already guaranteeing $400 billion in loans. In the economic sense, this is very much like the Lockheed loan, although there are some slight differences. Economically, it is the same thing. It is a subsidized artificial loan promoted by the Government. It encourages malinvestment. The money in the loan goes to the wrong places for the wrong reasons—for political reasons, not economic reasons—and it always leads to trouble eventually.

Mr. Speaker, the other point is that most people, even those on the other side of the aisle, indicate that, "Yes, we do recognize there is some inflation involved." Nobody has denied that. Even those who are the strongest proponents of the bail-out recognize there is some inflation involved, but they say, "A little bit of inflation is not too bad. We can tolerate a little bit of inflation if we can save the jobs." And that is as far as they look.

The trade-off theory was popularized in the 1930's, and we have lived with it for 40 or 50 years. This trade-off theory is, that if we inflate, we can keep unemployment low. But in the last decade this theory has been blown sky high. It has been blown out of the saddle.

We now know that inflating does not really get rid of unemployment. As a matter of fact, the opposite is true, and we realize now that the deliberate inflation caused by the Government is the cause of the business cycle and the unemployment.

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

Mr. PAUL. I yield to the gentleman from Florida.

Mr. KELLY. Mr. Speaker, I thank the gentleman for yielding.

But, Mr. Speaker, I would say to the gentleman that we learned in the committee just today—and we have gotten bits and parts of the story during the rest of the time—that the UAW workers had to have this pay raise in order to be insulated and protected against inflation.

Now, I know this will come as a shocker to all of them, but there are other Americans who are suffering from inflation also, including everybody in this country who has saved a nickel or a dime or anything more, because inflation is just eroding the value of that money. Insurance policies, pension plans that they have worked for—all of that is being eroded away.

□ 1840

The UAW is going to be protected and insulated against inflation, but only if we will finance Chrysler, because the deal is that Chrysler will give them $1 billion in pay increases in order to protect them from inflation that the rest of us do not have. Then we will loan Chrysler $1½ billion to cover it. That struck me as being unfair. Did it have the same impression on the gentleman?

Mr. PAUL. Absolutely. I think it is very obvious.

Mr. CHARLES H. WILSON of California. Mr. Speaker, will the gentleman yield?

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

Mr. CHARLES H. WILSON of California. Mr. Speaker, I was under the impression that there was a 3-year moratorium, that the UAW has agreed to a lesser contract than what they may have bargained for with the other companies and that they have put off this.

At the end of the 3 years, if the Chrysler Corp. has recovered, then they will be eligible to take this big pay raise the gentleman talks about, but that even then, if there is still a problem in connection with Chrysler, they still say that it is very likely that in order to guarantee the jobs of these people—there are 545,000. I do not know whether that includes the suppliers and everybody. It probably does. But that still is a very significant number of people. The important thing is, the anti-UAW remarks the gentleman is making, the antiadministration remarks as previously made, the remarks of the gentleman from Arkansas, it just seems that there is something behind this other than the fact that we are looking out for the best interests of our country.

Mr. KELLY. If the gentleman will yield further, Mr. Speaker, I will say that there is something behind it. I do not want to be ripped off. And the people who sent me up here do not want to be

ripped off either. It is not really very obscure. We really do not like to be robbed.

The situation on the union contract was this: For the first 2 years of the contract, the union would get wages that violate the wage and price guidelines and exceed their productivity increases. Then on the third year they really reach to the ceiling with a straight 11 percent increase, the total package costing more than $1 billion.

If they would forego a pay raise, since they were already getting 100 percent more than the average production worker in the United States, Chrysler would not need any money, they could go back there and run their own business the way they want to. But instead they have got this trumped-up deal where they think that they can buy off the unions and then get an additional one-half billion dollars in capital, and when they get through messing around with that they will come back and get some more. It is true. It is not a question of being anti anything, except just being ripped off, because there are 6,000 to 8,000 businesses that go bankrupt and broke and fall down and lose their money and their workers are scattered all over the country every year. What about them? We do not want to do anything about those 6,000 or 8,000 businesses that go bankrupt but we do want to do something about Chrysler. Why? Because Chrysler, in combination with the UAW, has got enough substance, as it was testified in the committee, to disrupt the environment.

Mr. PAUL. Let me make one point, and then I will yield to the gentleman from California.

Mr. Speaker, I think one point is that you do show how much this is going to cost, close to $1 billion, possibly, but we really do not know. It could be a lot more because this contract has been calculated and estimated on an 8 percent inflation rate. Let us say we do move into the period of inflation that I anticipate, which is going to be 15 or 20 or 25 percent, then we are talking about a lot more money involved. Every bit of this money we are going to provide for Chrysler is essentially going to go into supporting the wage contract.

Mr. CHARLES H. WILSON of California. If the gentleman will yield further, is the gentleman from Florida (Mr. KELLY) saying that Chrysler has a 100-percent better contract than Ford and General Motors? Are they getting some special deal that is not being given to the other manufacturers?

Mr. PAUL. Mr. Speaker, I would like to make a comment on that.

No, they are not getting anything better. As a matter of fact, they have held back on some of their benefits, the details of which I cannot quote, but even in spite of not taking the full package, or at least holding back for a year or two, it still represents an outrageous pay increase.

Mr. CHARLES H. WILSON of California. Why do we not put all of our companies out of business and let these foreign imports come in?

Mr. PAUL. You would not need to.

Mr. CHARLES H. WILSON of California. I just do not understand the reasoning of the gentleman.

Mr. KELLY. If the gentleman will yield, I do not know but what we are not going to do just exactly as the gentleman suggests. As a matter of fact, I think that that is what this Congress is doing, because they are certainly sapping the vitality and the incentive out of our work force and out of our economy by overtaxation and welfare programs. I agree with you about that. I think we are headed in that direction, because we have squandered every industrial advantage we had. The gentleman, I am sure, can remember when the idea of a foreign manufacturer being in competition with American automobile manufacturers would just have simply blown anyone's mind. No one could imagine anything like that. And we do it by the very programs and policies that have been enacted right here in this room where we stand, by trying to give everything to everybody in order to get ourselves elected. That is exactly what the problem is.

There is nothing the matter with the American worker or nothing the matter with our system of economics. It is this Government that is trying to control everything.

I think we observed in the committee where we have had these programs come forward that we will buy stock, you and I will buy stock, and give it to the UAW workers. The Government will buy stock and then we will start telling the company what products they will produce. We will buy stock and we will just own the stock, or we will loan them money directly, or we will loan them money by guarantees, or we will just give them money.

Mr. PAUL. It is not a very good example of the free enterprise system.

Mr. KELLY. It did not sound like it.

Mr. CHARLES H. WILSON of California. If the gentleman will yield further, I have another question I would like to ask of the gentleman from Florida.

I recognize that the Democrats have been running the Congress from the time I have been in, and certainly since the time the gentleman has been in. But we have had two different parties that have run the administration. Has there been any change insofar as the attitude of the two administrations are concerned?

I might say that today I think the Republicans are running the Congress.

Mr. PAUL. Mr. Speaker, I would like to suggest that I do not see any significant changes. The gentleman is correct. This Congress has been run by the Democrats for 5 decades now, and we have had one economic policy. When the administration has changed, even though the rhetoric at times has sounded different, I would say there has been no significant change. But I see these things in economic terms rather than in political terms because generally, throughout our history now, these 40 or 50 years, our universities and politicians have reflected one view of economics, and that is the interventionist type of economics claiming that we the politicians and the bureaucrats that we assign jobs to are somehow wise enough to know the marketplace. That is the idea that we have been living with and suffering from. Having on occasion a change in administration, we have not seen significant change. But what we need are some new economic ideas that would reject economic interventionism and the extreme of which is a socialist, nonmarket economy. We need to discuss whether or not we want to reject those policies we have had for 40 years, which is economic interventionism and accept a market economy. That is the crucial question.

Back to the $400 billion of loans that we have subsidized over the years, this is economic interventionism at its worst, it is inflation literally, and it is chaos eventually. This is what we are seeing. We are seeing the climax of politicians interfering in the marketplace, and now we are faced with these problems and unfortunately it is only the beginning.

I think Lockheed was significant, there was a large bank failure, and there was Penn Central. But there is going to be more and more.

Mr. KELLY. If the gentleman will yield further, I am sure that there are a lot of other differences that have escaped me, but I can think of a few. We have abandoned 17 million free Chinese in Taiwan, a strategic base to protect our Western Pacific defenses; we have abandoned the Panama Canal; we have caved in to the Russians in Cuba; and we are now getting our britches kicked in Iran. In addition to that, we have accumulated the largest deficit in the history of the United States except during the time of Franklin Delano Roosevelt.

I will admit that the leadership in the previous administrations has left a great deal to be desired. But I think that this administration has distinguished itself by being immeasurably worse.

□ 1850

Mr. CHARLES H. WILSON of California. If the gentleman would yield, would the gentleman agree with me though that this administration, should it stay in power, would be much superior to the two opponents that the President has, Mr. KENNEDY and Mr. Brown?

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

Mr. PAUL. I yield to the gentleman from Florida for that difficult question.

Mr. KELLY. Well, I would judge——

Mr. CHARLES H. WILSON of California. I know it is the lesser of three evils to the gentleman.

Mr. KELLY. The gentleman has asked me a personal question. My judgment is that—and I will probably lose every friend in the world I have—but I think the gentleman from Massachusetts would be a very definite improvement, because I think that—he has some murky problems, but I think that the main thing is, I think that he is a person who believes in spending the country into oblivion.

I think that the gentleman who is managing the White House at the present time has really done a great deal more damage to the country than just overspend. I am concerned about the security of the United States, and I think that our position and the experience that we are

having in the world today manifests the concern.

Mr. CHARLES H. WILSON of California. If the gentleman will continue to yield, I brought the subject up, and I am sorry. I would have to disagree with the gentleman. I worry about the gentleman from Massachusetts. I am worried about his position insofar as our international relations are concerned.

I think that President Carter would be much stronger should he be reelected.

Mr. KELLY. I tell the gentleman really, it is not practical to consider the situation in the terms of the options that we are presented, because I have a better idea. I think we ought to reject all three of them.

● Mr. HILLIS. Mr. Speaker, the question of whether or not to grant Federal assistance to the Chrysler Corp. is very serious. We must carefully consider all aspects of this question. We must be sure that such a step will not adversely affect our economic system. We must also be sure that Federal assistance is used only as a last resort.

Direct Federal assistance to a troubled company is a serious issue, the consequences of which must be reviewed carefully. We must be aware of the dangers and benefits of the Federal Government granting assistance to a company to prevent bankruptcy. After all, the preservation of our economic system must receive high priority.

Like most Americans, I am a strong believer in, and supporter of, the free enterprise system. However, we do not have the true or pure free enterprise system in the United States—particularly in cases where Federal regulations intervene in the policy decisions of private companies. There are numerous industries where Federal intervention has weakened the essence of the free enterprise system, that is, competition to such a point that the normal checks and balances which allow a system to operate no longer do so adequately.

The automotive industry, while not as regulated as some other industries, has had its product line completely revamped by Federal energy, emission, and safety standards within the last 5 years. While these regulations are unique to the automotive industry, other Federal regulations are not.

Like all U.S. industries, the automotive industry has had to comply with Federal regulations such as OSHA and environmental emission standards on manufacturing plants as opposed to the car itself. There are also thousands of other Federal programs many of which require forms to be filled out which cost American industries millions of man-hours and billions of dollars each year.

Chrysler estimates that research, development, and retooling costs needed to meet Federal safety, pollution, and fuel-efficiency standards will cost the U.S. auto industry $80 billion over the next 7 years. The total effect of all these regulations has reduced the amount of competitiveness in the auto industry. The fiscal impact of Federal regulations on larger companies is less per unit of manufactured item than on smaller companies. The cost of Federal regulations per car for General Motors is $340. The cost of Federal regulations per car for Chrysler is $620—almost twice as much. That $280 makes a significant difference to the consumer.

I do not feel that certain economic assistance from the U.S. Federal Government to troubled domestic corporations will necessarily undermine, weaken, or threaten our economic system. A pure free enterprise system simply does not exist in the United States today. We cannot therefore, expect that system to provide all the answers to a particular industry's or company's financial problems. At times, the answer must come from outside the free enterprise system.

I believe the question of precedent, particularly with loan guarantees, is a moot point. The Federal Government already has established precedents for assisting private industries, including the automotive industry, by providing assistance to American Motors in the form of a tax break in 1967. The assistance given to Lockheed in 1971, while often cited as a precedent, in reality was not. Long before 1971, there were Federal programs designed to assist private businesses, particularly the smaller ones. There are literally hundreds of Federal programs which through one mechanism or another intervene into the free enterprise system and provide aid to private companies. Loan guarantees have become commonplace and have proven to be effective.

Chrysler has made many significant efforts to improve its financial situation. The corporation has sold many of its overseas assets; corporate executives have reduced their salaries; new management policies have been enacted; and new top level personnel have been hired. Chrysler has made a good faith effort to solve its own problems. The policies which contributed to Chrysler's troubles, such as the "sale bank" concept which is the practice of manufacturing cars prior to their being ordered, have been eliminated.

While Chrysler has programs to improve its market penetration in the 1980's, it must continue to invest in modernization efforts and improve the emissions and fuel economy of its products to meet Federal regulations. These steps will cost the corporation millions of dollars which it simply does not have, and which it will not be able to obtain without Federal assistance.

The Chrysler Corp. employs 131,000 people and thousands more are dependent on it indirectly for their livelihood. While the loss of Chrysler jobs alone would be significant, consider the additional thousands of employees of smaller companies which are totally dependent upon Chrysler as a purchaser of their products. The Indiana Department of Commerce has identified 105 independent companies which sell their products to automotive manufacturers. These companies employ in the neighborhood of 55,000 people. Since Chrysler is not a highly integrated corporation, it must rely heavily on small independent companies for many of its component parts. These companies cannot sell their products to GM or Ford since both of those corporations are highly integrated. The human and financial impact of Chrysler's failure would be tremendous.

It is impossible for anyone to be able to accurately calculate the impact of a Chrysler shutdown. However, all indications are that such a situation would have severe and long-lasting adverse effects on our economy.

The effects of a Chrysler failure on the automotive industry would be dramatic. Without Chrysler, Ford and GM would unquestionably be faced with antitrust actions by the Federal Government. Since 1976, the Federal Trade Commission has been studying the competitive situation in the auto industry. Some antitrust action against GM is already possible, even without Chrysler failing.

There are organizations which oppose Federal assistance to Chrysler on the grounds that without the corporation, there is no way GM can survive an antitrust action. The Washington Post reported on August 2 that the potential for antitrust action against GM was one reason Ralph Nader cited for his opposition to any Government assistance to Chrysler.

We cannot be blind to the fact that there are people in this country who simply oppose large corporations on principle. However, there are industries, and the automotive industry is one of them, where the capital of large corporations is needed to meet the problems of the future. The problems of meeting environmental, safety, and efficiency standards are monumental.

It would be impossible to disassemble GM or Ford without hampering their capabilities to improve emissions, safety, and efficiency. The pure turmoil of the situation would make long-term planning impossible. The result of such actions would be to force our domestic auto industry into a sharp decline while foreign competitors, with the assistance of their governments, take an increasing portion of the U.S. auto market.

In 1978, U.S. imports of passenger cars exceeded exports by $10.5 billion. Not only would imports pickup a portion of Chrysler's U.S. market, but Chrysler exports would also be lost. Thus our balance of trade would be hurt by the increased imports and decreased exports.

After reviewing the Chrysler situation, I do not see any available alternatives to Federal assistance to insure the economic stability of the corporation. Chrysler is in the middle of a massive reorganization and rebuilding program. That program will increase Chrysler's penetration into the marketplace starting in 1981. It must be completed and successful for Chrysler to survive.

The administration has proposed that Chrysler receive $1.5 billion in loan guarantees, coupled with a commitment that Chrysler first raise the same amount through its normal line of credit. This proposal seems to be reasonable and has received support from both Lee Iacocca, the chairman of the board of Chrysler, and Douglas Fraser of the UAW. Although the House and Senate must

review the administration proposal carefully, I am hopeful that it will be enacted.

Federal aid to Chrysler is the philosophically correct step. It is in the best interest of the Nation. It is vital that Chrysler not go bankrupt if we are to avoid severe economic disruptions and a possible deterioration of the entire auto industry.●

Mr. PAUL. Mr. Speaker, I yield back the balance of my time.

MARTIN LUTHER KING DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. BROYHILL) is recognized for 5 minutes.

● Mr. BROYHILL. Mr. Speaker, I believe that we all recognize Dr. Martin Luther King, Jr.'s legendary achievements in the field of human rights. His advocacy of nonviolent social change should particularly serve as a reminder in this day and age that the inequities in our society, and indeed throughout the world, can be addressed and remedied in a peaceful, sensible manner.

In this light, it was with great regret that I cast my vote against H.R. 5461, the bill to designate January 15, Dr. King's birthday, as a national holiday.

I voted against H.R. 5461 for a number of reasons, none of which was the feeling that Dr. King does not merit the honor.

One strong consideration, and I might add that this is a concern I heard echoed numerous times on the House floor, is the cost of the bill. Using figures for fiscal 1979, the Congressional Budget Office and the Office of Personnel Management estimated that the cost to the U.S. Treasury of H.R. 5461 would have been $196 million, which is $173 million for the basic pay for the Federal workforce, and an estimated $23 million for holiday premium pay for employees who would have been required to work on the holiday. The Congressional Budget Office figure for fiscal 1980 is predictably higher—$212 million.

I might mention in passing that these figures only reflect the direct cost to the Federal Government; there are other costs associated with the State and local government employees who will have the day off and with closing public institutions. In private industry, businesses which do not close would have to pay their employees holiday pay.

At this time of rampant inflation, of the ever-devaluing of the dollar, when individuals' purchasing power seems to decline minute by minute, I believe we must seriously question any new proposals to spend Federal dollars.

Another point worthy of thought is the fact that there are a multitude of other Americans who have made invaluable contributions to American life and who are worthy of such an honor. But we have chosen to honor these citizens in other ways. Some of these Americans have appeared on coins and currency. Others have been honored by stamps and commemorative issuances. My point is that alternatives to designating a national holiday do exist.

Finally, I would like to note that it is the usual custom that States be allowed to determine which holidays are established to recognize individuals. The minority views to H.R. 5461 cited several States which have exercised the option to declare Dr. King's birthday as a legal holiday.

And so, to reiterate, I do believe that Dr. King has made some significant achievements to fostering the ideals on which our country was founded. Accordingly, Congressman JIM MARTIN and I are today introducing a joint resolution calling upon the President to issue a proclamation designating January 15, 1980 as "Dr. Martin Luther King, Junior Day."

I would submit to my colleagues that passage of such a resolution would allow us to work toward reducing the Federal deficit and, at the same time, to share in the dream that Dr. King revealed to the American people on the steps of the Lincoln Memorial in 1963.●

ADDITIONAL HIGHLIGHTS OF THE 1979 CAPTIVE NATIONS WEEK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 60 minutes.

● Mr. FLOOD. Mr. Speaker, the successful 1978 Captive Nations Week included many interesting and inspiring events and activities. The impressive record of the week has been shown by way of selected compilation since last July. Both here and abroad the observance of the week was widespread, demonstrating that countless free world citizens are vividly conscious of the reality of the over 2 dozen captive nations and their exploitation by totalitarian Communist regimes in the advancement of particularly Soviet Russian imperialism.

I wish to submit additional highlights of the recent observance: First, the proclamation by Gov. Fob James of Alabama, second, reports in the Mobile Register and the Troy Times Record and third, excerpts from the new brochure of the Washington-based National Captive Nations Committee, which has coordinated Captive Nations Week events for a whole generation and, on this 20th anniversary, released this new statement of purposes, achievements, and objectives:

PROCLAMATION

Whereas, the imperialistic policies of Russian Communists have led, through direct and indirect aggression, to the subjugation and enslavement of the peoples of Poland, Hungary, Lithuania, Ukraine, Czechoslovakia, Latvia, Estonia, White Ruthenia, Rumania, East Germany, Bulgaria, Mainland China, Armenia, Azerbaijan, Georgia, North Korea, Albania, Idel-Ural, Serbia, Croatia, Slovenia, Tibet, Cossackia, Turkestan, North Vietnam, Cuba, and others; and

Whereas, the desire for liberty and independence by the overwhelming majority of peoples in these conquered nations constitutes a powerful deterrent to any ambitions of Communist leaders to initiate a major war; and

Whereas, the freedom-loving peoples of the captive nations look to the United States as the citadel of human freedom and to the people of the United States as leaders in bringing about their freedom and independence; and

Whereas, the Congress of the United States by unanimous vote passed Public Law 86-90 establishing the third week in July each year as Captive Nations Week and inviting the people of the United States to observe such week with appropriate prayers, ceremonies and activities; expressing their sympathy with and support for the just aspirations of captive peoples;

Now, therefore, I, Fob James, Governor of the State of Alabama, do hereby proclaim that the week commending July 15, 1979, be observed as "Captive Nations Week" in Alabama, and call upon the citizens of Alabama to join with others in observing this week by offering prayers and dedicating their efforts for the peaceful liberation of oppressed and subjugated peoples all over the world.

[From the Mobile (Ala.) Register, July 17, 1979]

"WEEK" PROCLAIMED

Mayor Lambert Mims has proclaimed this weeks as "Captive Nation's Week" in Mobile. Designated by Congress, the purpose of the occasion is to join together in prayer and a dedication of efforts for the peaceful liberation of oppressed and subjugated peoples throughout the world. Enslaved countries include those under Russian Communism, Mims noted in his proclamation.

[From the Troy (N.Y.) Times Record, July 16, 1979]

CAPTIVE NATIONS

ALBANY.—The Capital District will celebrate its first Captive Nations Week, along with the rest of the nation, during the week of July 15–22.

Twenty years ago the nation celebrated its first Captive Nations Week in the Spring of 1959 when Congress passed the Captive Nations Law establishing the third week of July as Captive Nations Week each year, "until such time as freedom and independence shall have been achieved for all the captive nations of the world."

NATIONAL CAPTIVE NATION'S COMMITTEE, INC. (NCNC)

The National Captive Nations Committee, Inc. (NCNC) is an educational organization founded on the basis of the Captive Nations Week Resolution (Public Law 86-90) in 1959.

Captive nations are nations under Red Communist domination, including those in the U.S.S.R.

NCNC is a clearinghouse which coordinates Captive Nations Week activities of state, city and local communities throughout the United States.

Its members are Americans with conviction, faith, insight and perseverance, who voice their concern for the lost basic freedoms and human, personal, civil and national rights of the more than one billion captive peoples behind the Iron, Bamboo and Sugar Curtains.

Annually, the President, Governors and Mayors issue proclamations patterned after the Resolution.

The focal point of NCNC is the observance of Captive Nations Week the third week in July, but its work is year-round. Testimonies before Congressional committees by its chairman; speakers expert on the U.S.S.R. and its non-Russian nations, Eastern and Central Europe, Asia and Cuba are provided upon request; public statements on foreign policy issues pertinent to the captive nations analysis are issued frequently; and expert participation in official and educational forums, here and abroad, is undertaken periodically.

Internationally, NCNC maintains close ties with organizations that share America's

commitment to freedom and democracy, as well as NCNC goals.

First and foremost, firm adherence to our Declaration of Independence, Constitution and Bill of Rights—that we Americans, in the interest of our own national security, will never forget the captive nations or accommodate ourselves to their present captivity.

Full support of the United Nations Universal Declaration of Human Rights and implementation of this declaration to include the captive non-Russian nations in the Soviet Union.

Regardless of political persuasion, instill in all men their sacred duty and responsibility for the preservation of freedom in the full tradition of our American Revolution.

Restore the great image of America to the principles of our Founding Fathers and the tradition of our unique nation.

Dispel the concepts that the Soviet Union is a "nation," that "Russia" is the Soviet Union and her captives "Soviet people"; prove, historically and geographically, that Russia is only one of the republics in the Union of Soviet Socialist Republics.

Continuous rejection of existent colonialism effected by Soviet Russian aggression and "wars of national liberation," by focusing world attention on the last remaining imperium in imperio, the Soviet Union itself.

A rational stand against misleading theories of "peaceful coexistence," simplistic "detente," "trade with Red countries at any price," "normalization" without hard concessions, etc.

Throughout the year, but especially during the Week, expose the Soviet Russian fraud of "national self-determination" and put into proper perspective the present-day captivity of the Central and East Europeans, the non-Russian nations in the USSR, the Asians and the Cubans.

Promulgate the progressive effectuation of political, social, economic, religious, lingual and cultural rights of these captive peoples.

ACHIEVEMENTS

Original Captive Nations Week Resolution (Public Law 86–90) authored by NCNC chairman.

Annual Congressional observance of the Week in the U.S. Senate and House of Representatives, led by Congressional chaplains.

CONGRESSIONAL RECORD publication of all Captive Nations Week activities both national and international from 1959 to date.

Nation-wide educational link with press, radio and TV media.

During 1976 Bicentennial, NCNC alone stressed uniqueness of the American Revolution and its severance from an empire, in sharp contrast to the British, French and Russian revolutions.

Continuous responses by captive nations committee members and Americans of like persuasion, to attacks against the Resolution and observances on the part of Moscow, Peiping and other Red regimes.

Testimonies before Congressional committees on subjects relevant to our own national security in conjunction with the captive nations, e.g. East-West Trade (1965); U.S.-USSR Consular Convention (1967); The Empire-State of USSR–Chief Objective of Poltrade (1972); The Detente of Peaceful Coexistence in the Cold War—Fact or Fiction? (1973); U.S.-USSR Trade, At What Politico-Economic Price? (1973); Detente, Human Rights and the USSR (1974); Persecution of Religion in the USSR (1976); Genocide Convention (1977); Helsinki, Human Rights and U.S. Foreign Policy (1977).

OBJECTIVES

A first, complete review of U.S. policy toward the USSR, which has never taken place.

Positive and constructive contribution to a well-defined human rights foreign policy and its progressive application in all three categories of human rights—personal, civil and national.

Monitor Communist regimes in Eastern Europe (from the Danube to the Urals) in their professed observance, yet known crass violations of the Helsinki Accords.

Actualize the committee's poltrade concept, i.e. a policy of no liberalized without politico-cultural concessions to the captive nations.

Further education dealing with the crucial importance of captive nations, especially the near dozen non-Russian nations in the USSR.

Expose Soviet Russian genocide in all its forms—national, religious, cultural, social and linguistic.

Maintain a firm stand on full diplomatic normalization of relations with the Republic of China on Taiwan.

Unmask Soviet Russian agitation in Asia, the Middle East, Africa (especially the strategic sea lanes of the Indian Ocean and the Horn) and Latin America.

Advance ideas to sustain and expand the American image of national independence toward a policy of peace through strength and freedom.

Oppose SALT II treaty in its present form on the basis of U.S. strategic inferiority—unbalanced, unverifiable and unenforceable.

Generate a public consciousness of how various forms of so-called revolutionary and Marxist agitation aimed at undermining the structure of American civil authority—disinformation tactics breeding university campus eruptions, civil disobedience, certain types of civil rights disturbances and terrorism—are supported by communist sources and conducted along the same lines previously used in the captive nations.

Promote public awareness of the unprecedented Adlai Stevenson memorandum on Soviet Russian imperio-colonialism with a view toward a full-scale debate on the subject in the United Nations.

Reinforce the Voice of America, Radio Liberty and Radio Free Europe as genuine projectors of the American image in the captive nations.

PUBLICATIONS

(Pertinent to the Captive Nations)

The Bicentennial Salute to the Captive Nations 1976. Washington, D.C.: USGPO, 1977.

Boomerang: The Works of Valentyn Moroz. Edited by Yaroslav Bihun. Baltimore: Smoloskyp Publishers, 1974.

The Captive Nations: Nationalism of the Non-Russian Nations in the Soviet Union by Roman Smal-Stocki. New York: Bookman Associates, 1960.

Captive Nations Week: Red Nightmare, Freedom's Hope by Lev E. Dobriansky. Washington, D.C.: USGPO, 1966.

The Chornovil Papers by Vyacheslav Chornovil. New York: McGraw-Hill, 1968.

Human Rights and Genocide in the Baltic States by Aleksander Kaelas. Stockholm: Estonian Information Center, 1960.

The Nationality Problem of the Soviet Union and Russian Communist Imperialism by Roman Smal-Stocki. Milwaukee: Bruce, 1952.

The Ordeal of the Captive Nations by Hawthorne Daniel. New York: Doubleday, 1958.

Russian Frontiers: From Muscovy to Khrushchev by William G. Bray. New York: The Bobbs-Merrill Co., 1963.

The Struggle for Transcaucasia, 1917–1921 by Firuz Kazemzadeh. New York: Philosophical Library, 1951.

Tenth Anniversary of the Captive Nations Week Resolution. Washington, D.C.: USGPO, 1969.

Ukraine Under the Soviets by Clarence A. Manning. New York: Bookman Associates, 1953.

U.S.A. and the Soviet Myth by Lev E. Dobriansky. Old Greenwich: The Devin-Adair Company, 1971.

The Vulnerable Russians by Lev E. Dobriansky. New York: Pageant Press, Inc., 1967.●

WORLD ADMINISTRATIVE RADIO CONFERENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FASCELL) is recognized for 5 minutes.

● Mr. FASCELL. Mr. Speaker, in view of the ongoing World Administrative Radio Conference being held in Geneva to regulate international use of the radio spectrum, I would like to submit for the RECORD the latest summary report on the progress of the proceedings:

DEPARTMENT OF STATE,
Washington, D.C.

WORLD ADMINISTRATION RADIO CONFERENCE—SUMMARY REPORT NO. 5

Re: Summary Report No. 4. In the fourth and twelfth lines of the first paragraph on page 2, references to "4400–4490 MHz" should be corrected to read 4400–4990 MHz.

The following are highlights of the sixth week of the WARC (October 29–November 2).

Enough work has been completed to justify a plenary session which is scheduled for November 8. Many major issues, however, remain to be discussed at committee or working group levels.

Committee 4 (Technical):

In working group 4A, considerable progress was made on technical definitions and many were approved for consideration by the full committee.

In 4B, Appendices 28 and 29 remained under discussion, but U.S. objectives were still maintained. A U.S.-proposed section on mobile earth stations was accepted for inclusion in Appendix 28. A coordination area for mobile earth stations was approved. A draft resolution on the transfer of CCIR propagation data into the Radio Regulations by future WARC's was approved.

Working group 4C continued to debate the matter of permitted levels of spurious emissions. Agreement was reached on values up to 960 MHz, but no agreements were possible above that point. A new subgroup was formed to focus on spurious levels above 1 GHz.

Committee 5 (Allocations):

In 5B, the ad hoc group on HF broadcasting has agreed to the scheduling of a HF broadcasting conference as soon as possible after the next CCIR Plenary Assembly (1982). The conference would consist of two sessions. The first session would establish technical parameters for planning and principles concerning use of the HF bands (e.g., power, number of frequencies per program, specifications for a single side band system, etc.). The second session would do the planning. The U.S. again stressed that the success of such a conference would be dependent on an adequate increase in allocations for HF broadcasting.

5B. HF broadcasting had no support at 6 MHz, but there was support for 100 kHz at 7 Mhz, 100 kHz at 9 MHz, 125 kHz at 11 MHz, and 200 kHz at 13 MHz. There was stronger support for expansion by 150 kHz at 15 MHz, 100 kHz at 17 MHz, and 100 kHz at 21 MHz.

5B. An allocation for the amateur service at 10 MHz was not supported, while 100 kHz for amateurs at 18 MHz was tentatively agreed.

5C. Most of the U.S. objectives have been met in bands 174–235, 235–335 and 335–401 MHz.

5C agreed to a Region 2 allocation in the

band 220–225 MHz for the amateurs, fixed and mobile service on a primary co-equal basis with radiolocation secondary. The U.S. introduced a footnote to reduce the amateur service to a secondary basis in the U.S.

5C. U.S. arguments against terrestrial fixed and mobile services sharing with meteorological aids in band 401–406 MHz were not accepted by a majority of the group.

5C opposed consideration of sound broadcasting via satellite below 1 GHz.

5D. A new ad hoc group was formed to deal with the problem at 3400–3600 MHz. The group appears favorable to a compromise proposal by the U.S. that radars be restored to primary status by a footnote which would also urge (but not mandate) that administrations cease using radars in this band after 1985; and that after 1985, administrations shall take all practicable steps to protect the fixed-satellite service.

5D. Allocations consistent with the U.S. proposals were agreed in the 2400–2655 MHz band. Footnotes related to power flux densities are awaiting consideration by Committee 4.

5D agreed to develop a resolution tasking the CCIR with studying the feasibility of sound broadcasting via satellite between 500 MHz and 2.5 GHz. The U.S. delegation welcomed this action because a number of administrations had proposed an allocation for sound broadcasting satellites in the 1429–1525 MHz band which would have seriously impacted upon U.S. operational interests in other services.

On the 12 GHz FSS/BSS issue, the U.S. and Canada reached an apparent compromise which is supported by a few other administrations in Region 2. It will be difficult to gain full support from Region 2, as the majority of countries seem to prefer deferring a decision until the 1983 regional conference on the broadcasting-satellite service.

5E examined proposals for above 275 GHz. The conclusion was to leave frequencies above 275 GHz unallocated but with footnote recognition of both active and passive services.

Committee 6 (Regulatory):

The matter of FSS planning and access to the geostationary orbit has been assigned to an ad hoc group. There is strong support for a future conference to consider FSS planning.

A major debate is expected.

Progress continued toward a compromise of the Algerian "70–30" proposal.

Requests for further information should be addressed to: Mr. Gordon Huffcutt, State Department, Washington, D.C. 20520, telephone (202) 632–2592.●

A PRIVATE BILL FOR THE RELIEF OF MR. CARL AIELLO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. PANETTA) is recognized for 5 minutes.

● Mr. PANETTA. Mr. Speaker, I am introducing legislation today for the relief of Mr. Carl Aiello. For well over a quarter of a century, this man has sought relief from the devastating loss he suffered when he netted and assisted in salvaging a lost Navy plane.

In October of 1951, Mr. Aiello's life was full of promise. He was captain of his own fishing vessel, the *Lorraine A.* and proud owner of a new purse seine fishing net, 270 fathoms long and 32 fathoms wide. While fishing off the California coast near Santa Barbara on the 10th of October in 1951, the *Lorraine A* netted a catch that was to lead not only to the complete destruction of its purse seine net, but to economic losses that precipitated the repossession of the *Lorraine A*. Mr. Aiello's dreams for the future were dashed in a matter of days.

The net became entangled with the wreck of a U.S. Navy Corsair aircraft which had sunk at the point where the *Lorraine A* was fishing. A Navy barge was dispatched from San Diego several days later, and it was agreed that the *Lorraine A* would hold its position and assist in the salvage of the aircraft. The Navy was to return the purse seine net to its owner. The Navy's recovery vessel salvaged the aircraft with the net and departed for port. It was impossible to disengage the net from the aircraft aboard the barge because of the net's size and weight.

Mr. Aiello and his crew requested permission of the commanding officer of the U.S. Navy base at Port Hueneme, Calif., to assist in disengaging the net. They pointed out that the net's delicate construction, weight, and dimensions were such that its removal should be done by persons experienced in the handling of purse seine nets. Mr. Aiello's request was denied.

The Navy officer commanded his personnel to remove the net from the aircraft. A crane was used to rip and tear the net into shreds, completely destroying it. The remnants were delivered to Mr. Aiello.

As a result of losing the purse seine net, Mr. Aiello was unable to fish the balance of the season and because of the loss of income that could have been derived by fishing the entire season, he was unable to pay the mortgage payments on the *Lorraine A* and the bank foreclosed and repossessed the vessel. In addition, Mr. Aiello has lost his home, his business, and was never again able to captain his own ship. Today he is in poor health and penniless.

I am seeking the consent of my colleagues today to grant Mr. Aiello's just claim for relief. He has suffered greatly as a result of this most unfortunate chain of events. Now that he is aged and ill, I ask you in the interest of justice to provide relief in the following amounts:

Cost of net	$25,500
Damage to boat and gear	700
Fee for diver	500
Loss of income during 1951/52 season	20,000
Loss of boat by foreclosure (equity)	80,000
Total	126,700

The text of the bill follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any funds in the Treasury not otherwise appropriated, to Carl Aiello, of Monterey, California, the sum of $126,700 with interest thereon in full settlement of all his claims against the United States resulting from damage to his fishing net and boat suffered when he netted, and assisted in salvaging, a lost Navy plane.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nebraska (Mr. CAVANAUGH) is recognized for 5 minutes.

● Mr. CAVANAUGH. Mr. Speaker, I was absent from the city and this Chamber on Thursday, November 8 and Friday, November 9, 1979, as I was addressing the National Convention of the National Association of Realtors. Much was learned by me in the give and take with the members of this profession so vitally affected by the work of the Banking Committee, on which I serve, and this Congress. Unfortunately, I missed some rollcall votes during these 2 days and had I been here I would have voted: Rollcall No. 637, "nay"; rollcall No. 640, "yea"; rollcall No. 642, "yea"; rollcall No. 643, "yea"; rollcall No. 644, "yea"; rollcall No. 645, "yea"; rollcall No. 647, "yea"; rollcall No. 648, "yea"; and rollcall No. 649, "yea."●

A RECOGNITION OF AMERICA'S FARM EXPORTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ROSTENKOWSKI) is recognized for 5 minutes.

● Mr. ROSTENKOWSKI. Mr. Speaker, I would like to commend my colleague, BILL ALEXANDER, for his splendid contributions as chairman of the House Export Task Force. BILL and I both serve on the President's Export Council, so I am well aware of BILL's firm commitment to agricultural exports. The farm export special project held in the Capitol today is an example of the fine work of this task force.

The aim of this recent project was to communicate to the American people the value of U.S. farm exports. I am sure that the day's activities went a long way toward doing this.

Agricultural exports are particularly important to those of us from the Midwest, an area long recognized as one of the world's major breadbaskets. My own State of Illinois ranked first in the export of all commodities, first in the export of soybeans, and first in the export of feed grains and products for 1978. Illinois is also among the top 10 States in the Nation in the export of all other agricultural commodities and products. The city of Chicago, with its excellent transportation system, has been a chief factor in Illinois' export success.

At today's exhibit the task force and the Agricultural Council of America presented dramatic evidence of the positive impact that increased farm exports can have on the American economy. Farming is and has been a major part of the American tradition and a sustaining force in our economy. In the future, farming exports will help insure a sound economy—a strong America.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma (Mr. SYNAR) is recognized for 5 minutes.

● Mr. SYNAR. Mr. Speaker, on November 8 and 9, 1979, I was absent from the House on official business for the Committee on Government Operations. Had

I been present, I would have voted as follows on the votes which I missed:

Thursday, November 2, 1979:

Rollcall No. 640: Final passage of H.R. 4167. "Yea."

Friday, November 9, 1979:

Rollcall No. 642: House Resolution 458 (rule on H.R. 2335). "Yea."

Rollcall No. 643: Final passage on H.R. 2603, national security authorizations for Department of Energy 1980. "Yea."

Rollcall No. 644: Motion by Mr. PRICE on closing certain conferences for national security purposes. "Yea."

Rollcall No. 645: Resolve into Committee of the Whole House to consider H.R. 2335. "Yea."

Rollcall No. 647: Conference report on H.R. 4930 Interior and related agencies appropriations for 1980. "Yea."

Rollcall No. 648: Motion by Mr. YATES to agree to conference report on fuel assistance plan funding formula. "Yea."

Rollcall No. 649: Motion by Mr. BRADEMAS to meet at 12 noon, Tuesday, November 13, 1979. "Yea."

PERSONAL EXPLANATION

(Mr. WEISS asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. WEISS. Mr. Speaker, I was not present for a vote in the House on November 9, because of pressing business in my district. The following is an explanation of how I would have voted on this vote had I been present:

Rollcall No. 649: A motion that the House adjourn and reconvene on November 13. This motion carried by a vote of 161 to 89. I would have voted in favor of this motion had I been present.

PERSONAL EXPLANATION

(Mr. WEISS asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. WEISS. Mr. Speaker, I was not present for two votes in the House on November 7, because I was attending a meeting at the State Department. The following is an explanation of how I would have voted on these votes had I been present:

Rollcall No. 630: This was a vote on the rule (H. Res. 363) which made the consideration of a bill informally titled "the Repayment of Loans Made to State Unemployment Funds" (H.R. 4007) in order under a modified open amendment procedure. This rule only allowed those amendments offered by the House Ways and Means Committee. Traditionally such rules are offered on tax legislation due to the complex nature of amending tax statutes on the House floor. The rule was adopted by a vote of 362 to 24. Had I been present I would have voted in favor of this rule.

Rollcall No. 631: This was a vote on the final passage of H.R. 4007. H.R. 4007 facilitates the repayment of Federal loans by the States which receive such loans for State unemployment insurance funds. Currently States are penalized for late payments which must be made under specific conditions. The Federal loan program is a vital way in which the Federal Government assists individuals who suffer unemployment. H.R. 4007 provides for improvement in the conditions by which the States repay these loans. Final passage of this bill was agreed to by a vote of 4 to 1. Had I been present I would have voted in favor of final passage.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. ROTH (at the request of Mr. RHODES) for today and tomorrow on account of a death in the family.

To Mr. YOUNG of Alaska (at the request of Mr. RHODES) for Friday, November 9, 1979, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. TAUKE) to revise and extend their remarks and include extraneous material:)

Mr. BROYHILL, for 5 minutes, today.

(The following Members (at the request of Mr. DASCHLE) to revise and extend their remarks and include extraneous material:)

Mr. FLOOD, for 60 minutes, today.
Mr. GONZALEZ, for 15 minutes, today.
Mr. WEAVER, for 10 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Ms. FERRARO, for 5 minutes, today.
Mr. FASCELL, for 5 minutes, today.
Mr. PANETTA, for 5 minutes, today.
Mr. CAVANAUGH, for 5 minutes, today.
Mr. ROSTENKOWSKI, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. SLACK, to revise and extend following opening remarks of Mr. WHITTEN on House Joint Resolution 440.

Mr. LEDERER and Mr. BEDELL to follow the remarks of Mr. ULLMAN during general debate on H.R. 2727.

(The following Members (at the request of Mr. TAUKE), and to include extraneous matter:)

Mr. WHITEHURST.
Mr. CONTE in two instances.
Mr. MICHEL in five instances.
Mr. DERWINSKI in four instances.
Mr. LUNGREN.
Mr. CAMPBELL.
Mr. GRASSLEY.
Mr. YOUNG of Alaska.
Mr. GREEN.
Mr. ROUSSELOT in three instances.
Mr. CLINGER.
Mr. KELLY.
Mr. SYMMS in three instances.
Mr. BOB WILSON in two instances.
Mr. RHODES.
Mr. WYDLER.
Mr. COLLINS of Texas in three instances.
Mr. MOORE.

(The following Members (at the request of Mr. DASCHLE) and to include extraneous material:)

Mr. ANDERSON of California in 10 instances.
Mr. GONZALEZ in 10 instances.
Mr. BROWN of California in 10 instances.
Ms. HOLTZMAN in 10 instances.
Mr. ANNUNZIO in six instances.
Mr. JONES of Tennessee in 10 instances.
Mr. BONER of Tennessee in five instances.
Mr. WOLFF in five instances.
Mr. WALGREN.
Mr. VENTO.
Mr. GRAMM.
Mr. ALBOSTA in two instances.
Mr. PANETTA.
Mr. RATCHFORD.
Mr. APPLEGATE in two instances.
Mr. SIMON.
Mr. BARNES.
Mr. BLANCHARD.
Mr. MAZZOLI.
Mr. STOKES in two instances.
Mr. MOFFETT.
Mr. NOWAK in five instances.
Mr. CAVANAUGH.
Mr. SKELTON in two instances.
Mr. GINN.
Mr. THOMPSON.
Mr. BRINKLEY.
Mr. NOLAN.
Mr. CONYERS.
Mr. SCHEUER.
Ms. FERRARO.

SENATE BILL REFERRED

Bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 916. An act to amend the act of September 30, 1950 (Public Law 874, 81st Congress) to provide education programs for Native Hawaiians, and for other purposes; to the Committee on Education and Labor.

JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. THOMPSON, from the Committee on House Administration, reported that that committee did on November 9, 1979, present to the President, for his approval joint resolutions of the House of the following title:

H.J. Res. 199. To amend the act of October 21, 1978 (92 Stat. 1675; Public Law 95-498); and

H.J. Res. 428. Designating December 1979 as "National Child Abuse Prevention Month."

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following title:

S. 1037. An act to establish an actuarially sound basis for financing retirement benefits for police officers, fire fighters, teachers, and judges of the District of Columbia and to make certain changes in such benefits; and

S. 1728. An act to designate the U.S. Federal Courthouse Building located at 655 East

Durango, San Antonio, Tex., as the "John H. Wood, Jr., Federal Courthouse."

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. THOMPSON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 4955. An act to authorize additional appropriations for migration and refugee assistance for the fiscal years 1980 and 1981 and to authorize humanitarian assistance for the victims of the famine in Cambodia; and

H.J. Res. 68. Joint resolution to authorize the President to issue a proclamation designating the week beginning on November 18, 1979, as "National Family Week."

ADJOURNMENT

Mr. CHARLES H. WILSON of California. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 55 minutes p.m.), the House adjourned until tomorrow, Wednesday, November 14, 1979, at 10 a.m.

EXECUTIVE COMMUNICATION, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2806. A letter from the Director, Office of Management and Budget, Executive Office of the President transmitting a cumulative report on rescissions and deferrals of budget authority as of November 1, 1979, pursuant to section 1014(e) of Public Law 93-344 (Doc. No. 96-225); to the Committee on Appropriations and ordered to be printed.

2807. A letter from the Assistant Secretary of the Treasury for Legislative Affairs and the Assistant Secretary of State for Congressional Relations, transmitting a report on progress in enhancing human rights through U.S. participation in international financial institutions, pursuant to section 701(c) of Public Law 95-118; to the Committee on Banking, Finance and Urban Affairs.

2808. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a statement describing a proposed transaction with CP Air, Canada, exceeding $60 million, pursuant to section 2(b)(3)(i) of the Export-Import Bank Act of 1945, as amended; to the Committee on Banking, Finance and Urban Affairs.

2809. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a statement describing a proposed transaction with Middle East Airlines exceeding $60 million, pursuant to section 2(b)(3)(i) of the Export-Import Bank Act of 1945, as amended; to the Committee on Banking, Finance and Urban Affairs.

2810. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 3-117, "To amend the Schedule of Heights of Buildings Adjacent to Public Buildings," pursuant to section 602(c) of Public Law 93-198; to the Committee on the District of Columbia.

2811. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 3-118, "To amend the Retail Service Station Act of 1976 to extend the moratorium on the conversion of full service retail service stations to limited service retail service stations, and for other purposes," pursuant to section 602(c) of Public Law 93-198; to the Committee on District of Columbia.

2812. A letter from the Chairman and Cochairman, Commission on Security and Cooperation in Europe, transmitting a report on U.S. compliance with the Helsinki Final Act, pursuant to section 6 of Public Law 94-304; to the Committee on Foreign Affairs.

2813. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a) to the Committee on Foreign Affairs.

2814. A letter from the Secretary of Health, Education, and Welfare, transmitting a report covering fiscal year 1979 on surplus real property disposed of to public health and educational institutions under section 203(k) of the Federal Property and Administrative Services Act of 1949, as amended, pursuant to section 203(o) of the act; to the Committee on Government Operations.

2815. A letter from the Secretary of Health, Education, and Welfare, transmitting the second annual report of the National Center for the Prevention and Control of Rape, pursuant to section 231(b)(1)(B) of the Community Mental Health Centers Act, as amended (89 Stat. 328); to the Committee on Interstate and Foreign Commerce.

2816. A letter from the Vice President for Government Affairs, National Railroad Passenger Corporation, transmitting a report covering the months of June and July 1979, on the average number of passengers per day on board each train operated, and the on-time performance at the final destination of each train operated, by route and by railroad, pursuant to section 308(a)(2) of the Rail Passenger Service Act of 1973, as amended; to the Committee on Interstate and Foreign Commerce.

2817. A letter from the Secretary of Transportation, transmitting a report on the six-month review of program implementation of the Highway bridge replacement and rehabilitation program, pursuant to 23 USC 144(k); to the Committee on Public Works and Transportation.

2818. A letter from the Comptroller General of the United States, transmitting a report on the major weapons acquisition process and related weapons systems costs (PSAD-80-6, November 8, 1979); jointly, to the Committees on Government Operations, and Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DAN DANIEL: Committee on Armed Services. H.R. 5580. A bill to authorize the Secretary of Defense to enter into certain agreements to further the readiness of the military forces of the North Atlantic Treaty Organization, with amendments (Rept. No. 96-612, pt. I). Ordered to be printed.

Mr. PERKINS: Education and Labor. H.R. 2977. A bill to provide for Federal support and stimulation of State, local, and community activities to prevent domestic violence and assist victims of domestic violence, for coordination of Federal programs and activities pertaining to domestic violence, and for other purposes with amendments (Rept. No. 96-613). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 or rule X and clause 4 of rule XXII, bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. ANDERSON of California:

H.R. 5865. A bill to amend the Immigration and Nationality Act to provide for the immediate deportation of any alien in the United States on a student or other nonimmigrant visa who, while participating in a political demonstration, engages in violent or illegal activity; to the Committee on the Judiciary.

By Mr. DAVIS of South Carolina:

H.R. 5866. A bill to designate certain areas located in the Francis Marion National Forest, South Carolina, as wilderness areas; to the Committee on Interior and Insular Affairs.

H.R. 5867. A bill to authorize the Secretary of Commerce to charter the nuclear ship *Savannah* to Patriots Point Development Authority, an agency of the State of South Carolina; to the Committee on Merchant Marine and Fisheries.

By Mr. GAYDOS:

H.R. 5868. A bill to amend the Internal Revenue Code of 1954 to allow the charitable deduction to taxpayers whether or not they itemize their personal deductions; to the Committee on Ways and Means.

By Mr. GRASSLEY:

H.R. 5869. A bill to amend the Department of Education Organization Act to transfer authority with respect to rural education to the Assistant Secretary for Elementary and Secondary Education, and for other purposes; to the Committee on Education and Labor.

By Mr. HANLEY (for himself, Mr. UDALL, Mr. CLAY, Mrs. SCHROEDER, Mr. HARRIS, and Mr. YATRON):

H.R. 5870. A bill to amend title 5 of the United States Code to improve the second career training program for air traffic controllers; to the Committee on Post Office and Civil Service.

By Mr. HOWARD (for himself, Mr. JOHNSON of California, Mr. HARSHA, and Mr. SHUSTER):

H.R. 5871. A bill to authorize the apportionment of funds for the Interstate System, to amend section 103(e)(4) of title 23, United States Code, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. JOHNSON of California:

H.R. 5872. A bill to modify the New Melones Dam and Reservior project, Calif.; to the Committee on Public Works and Transportation.

By Mr. LOTT:

H.R. 5873. A bill to establish a procedure for the processing of complaints directed against Federal judges, and for other purposes; to the Committee on the Judiciary.

By Mr. MATHIS:

H.R. 5874. A bill to amend the Internal Revenue Code of 1954 to exempt agricultural aircraft from the aircraft use tax, to provide for the refund of the gasoline tax to the agricultural aircraft operator, and for other purposes; to the Committee on Ways and Means.

By Mr. MINETA (for himself and Mr. GIBBONS):

H.R. 5875. A bill to amend the Tariff Schedules of the United States to repeal the duty on certain field glasses and binoculars; to the Committee on Ways and Means.

By Mr. PERKINS:

H.R. 5876. A bill to provide a special program of financial assistance to Opportunities Industrialization Centers and other national community-based organizations in order to provide new motivational and skills training opportunities for unemployed and unem-

ployable youth; to the Committee on Education and Labor.

By Mr. YOUNG of Alaska:

H.R. 5877. A bill to amend the Internal Revenue Code of 1954 to provide that property may be levied upon for the collection of tax (other than where such collection is in jeopardy) only pursuant to a court order; to the Committee on Ways and Means.

By Mr. CONYERS:

H.R. 5878. A bill to authorize emergency loan guarantees to the Chrysler Corporation; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BROYHILL (for himself and Mr. MARTIN):

H.J. Res. 444. Joint resolution to authorize and request the President to issue a proclamation designating January 15, 1980, as "Martin Luther King, Junior, Day"; to the Committee on Post Office and Civil Service.

By Mr. CONTE:

H.J. Res. 445. Joint resolution to designate the third week of September as "National Cystic Fibrosis Week"; to the Committee on Post Office and Civil Service.

By Mr. EVANS of Delaware (for himself, Mr. MICHEL, Mr. RAILSBACK, Mr. BADHAM, Mr. DEVINE, Mr. LATTA, Mr. MYERS of Indiana, Mr. SCHULZE, Mr. HAGEDORN, and Mr. HYDE):

H. Con. Res. 210. Concurrent resolution expressing the sense of the Congress that the President call upon all nations of the world to stop imports of oil from Iran until all hostages in the American Embassy in Teheran are released and control of the embassy is returned to officials of the United States; to the Committee on Foreign Affairs.

By Mr. STRATTON:

H. Con. Res. 211. Concurrent resolution calling upon the British Government to embark upon a new initiative for Ireland; to the Committee on Foreign Affairs.

By Mr. WOLFF:

H. Con. Res. 212. Concurrent resolution expressing the sense of the Congress that the President should terminate immediately all participation by Iranian personnel in United States programs of military training; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause I of rule XXII, private bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. PANETTA:

H.R. 5879. A bill for the relief of Carl Aiello; to the Committee on the Judiciary.

By Mr. PETRI:

H.R. 5880. A bill for the relief of Ana Marlene Orantes; 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. 271: Mr. MATSUI, Mr. EVANS of the Virgin Islands, and Mr. FOWLER.

H.R. 1297: Mr. PANETTA.

H.R. 1576: Mr. CLINGER, Mr. GINGRICH, and Mr. PURSELL.

H.R. 1577: Mr. BEARD of Rhode Island, Mr. CLINGER, Mr. GINGRICH, and Mr. PURSELL

H.R. 1578: Mr. BEARD of Rhode Island, Mr. CLINGER, Mr. GINGRICH, and Mr. PURSELL.

H.R. 2552: Mr. LEE.

H.R. 2812: Mr. BEARD of Rhode Island, Mr. BINGHAM, Mr. BROWN of California, Mr. MAGUIRE, Mr. MOFFETT, Mr. OTTINGER, Mr. PANETTA, and Mr. ROSENTHAL.

H.R. 2990: Mr. CARNEY, Mr. HAMILTON, and Mr. WHITTEN.

H.R. 3250: Mr. COLLINS of Texas.

H.R. 3937: Mr. MINETA.

H.R. 4178: Mr. FLORIO.

H.R. 4264: Mr. PATTEN.

H.R. 4265: Mr. CORCORAN.

H.R. 4367: Mr. CAMPBELL.

H.R. 4861: Mr. ALBOSTA and Mr. MARLENEE.

H.R. 5008: Mr. YATRON, Mr. DOWNEY, Ms. FERRARO, Mr. BROWN of California, Mr. CARNEY, Mr. GRAY, Mr. PATTERSON, Mr. MINETA, Mr. ALBOSTA, and Mr. WOLFF.

H.R. 5071: Mr. OBERSTAR.

H.R. 5225: Mr. HUCKABY.

H.R. 5752: Mr. FRENZEL, Mr. DOWNEY, and Mr. FORD of Michigan.

H.R. 5813: Mr. LLOYD, Mr. HALL of Texas, Mr. STENHOLM, Mr. STUMP, Mr. APPLEGATE, Mr. HANCE, Mr. WHITEHURST, Mr. NICHOLS, Mr. MONTGOMERY, Mr. GRAMM, Mr. KAZEN, Mr. LEACH of Louisiana, Mr. MYERS of Indiana, Mr. REGULA, Mr. ROBERTS, Mr. BOWEN, Mr. DOUGHERTY, Mr. CARTER, Mr. MURPHY of Pennsylvania, Mr. BONER of Tennessee, Mr. WYATT, Mr. CHARLES WILSON of Texas, Mr. ROUSSELOT, Mr. ARCHER, Mr. GOLDWATER, Mr. PICKLE, Mr. BAUMAN, Mr. ROYER, Mr. STANGELAND, Mr. HILLIS, Mr. MOTTL, Mr. ROBINSON, Mr. HARSHA, Mr. BEVILL, Mr. ROTH, Mr. GUYER, Mr. WHITE, Mr. HAGEDORN, Mr. NATCHER, Mr. ICHORD, Mr. KINDNESS, Mr. MARTIN, Mr. YOUNG of Alaska, and Mr. BRINKLEY.

H.J. Res. 321: Mr. DANIELSON, Mr. CARTER, and Mr. ROUSSELOT.

H.J. Res. 372: Mr. HOLLENBECK, Mr. ZEFERETTI, Mr. ROYER, and Mr. DICKS.

H. Con. Res. 122: Mr. LUKEN.

H. Con. Res. 202: Mr. HARKIN, Mr. PANETTA, Mr. RUDD, Mr. MCDONALD, Mr. VANIK, Mr. COTTER, Mr. HUTTO, Mr. FAZIO, Mr. MICHEL, Mr. HOLLENBECK, Mr. SEIBERLING, Mr. BEDELL, Mr. ZEFERETTI, Mr. LEDERER, Mr. VENTO, Mr. ERTEL, and Mr. LEACH of Iowa.

H. Res. 446: Mr. OTTINGER, Mr. MOFFETT, Mr. LUNDINE, and Mr. BENNETT.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2063

By Mr. BEREUTER:

—Page 49, line 23, delete "and".

Page 50, line 2, after the semicolon, insert the following: "and (D) with State legislatures through the formation and regular meeting of a State legislative liaison committee with the membership of such committee from each State to be determined by the legislature of the respective States which are located within the area served by the regional development commission;".

By Mr. MITCHELL of Maryland:

—Page 12, line 9, insert "(a)" after "205.".

On pages 12, 13, and 14, redesignate subsections (a) through (h) as paragraphs (1) through (7), respectively.

Page 14, after line 5, insert the following:

"(b)(1) The Secretary shall establish, by regulation, criteria for selecting projects for assistance under this title. In deciding among applications for assistance under this title, the Secretary shall give primary consideration to the following factors:

"(A) the extent to which the proposed project will provide long-term private sector employment opportunities to residents of the area, particularly unemployed, long-term unemployed, low-income, and socially and economically disadvantaged individuals;

"(B) the degree of economic distress in the area in which the project is to be implemented, as demonstrated by the criteria listed in section 401 and section 403 of this Act;

"(C) the level of private sector equity investment committed to financing the proposed project; and

"(D) the degree to which the proposed project will benefit socially and economically disadvantaged individuals and firms owned and controlled by such individuals.

"(2) The Secretary shall also consider other factors, including but not limited to—

"(A) the extent to which the proposed project is consistent with local and statewide development plans or priorities;

"(B) the extent to which the appropriate State and local governments have undertaken or agree to undertake other related actions to encourage economic development and the provision of employment opportunities in the distressed area;

"(C) the extent of the contribution to the economic and fiscal base of the distressed area to be made by the project; and

"(D) the appropriateness of the proposed project in view of the area's labor force.

—Page 16, line 20, strike out "solely for the making of other loans" and insert in lieu thereof "for the making of other loans and equity financing".

—Page 28, lines 23 and 24, strike out "is authorized to conduct any demonstration program which the Secretary determines is" and insert in lieu thereof "shall conduct demonstration programs which are".

Page 29, line 3, strike out ", including" and insert in lieu thereof a period and the following: "Such demonstration programs shall include".

—Page 43, line 6, strike out "section" and insert in lieu thereof "sections".

Page 43, line 25, strike out the quotation marks.

Page 43, after line 25, insert the following:

SOCIALLY AND ECONOMICALLY DISADVANTAGED BUSINESSES

"SEC. 718. (a) The Secretary shall administer the programs under this Act in a manner affirmatively to further participation in those programs, and in the projects they support, by socially and economically disadvantaged individuals and by businesses owned and controlled by such individuals. Within 60 days of the date of enactment of this section, the Secretary shall publish a plan to implement the preceding sentence.

"(b)(1) For purposes of this Act, the term 'business owned and controlled by socially and economically disadvantaged individuals' means a business—

"(A) which is at least 51 per centum owned by one or more socially and economically disadvantaged individuals; and

"(B) whose management and daily business operations are substantially controlled by one or more socially and economically disadvantaged individuals.

"(2) For purposes of this Act, the term 'socially disadvantaged individual' means an individual who has been subjected to racial or ethnic prejudice or cultural bias because of his or her identity as a member of a group without regard to his or her individual qualities.

"(3) For purposes of this Act, the term 'economically disadvantaged individual' means an individual whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same business area who are not socially disadvantaged. In determining the degree of diminished credit and capital opportunities the Administration shall consider, but not be limited to, the assets and net worth of such socially disadvantaged individual.

"(4) Socially and economically disadvantaged individuals shall include black Americans, Hispanic Americans, Native Americans, and other minorities, and any other individuals found to be disadvantaged by the Small Business Administration pursuant to section 8 of the Small Business Act.

"(c) The Secretary may require each State or political subdivision of a State,

applying for assistance under this Act, to demonstrate reasonable progress in providing socially and economically disadvantaged individuals with opportunity for participation in programs under this Act.".

H.R. 2626

By Mr. BUCHANAN:

(To the amendment in the nature of a substitute reported by the Committee on Interstate and Foreign Commerce.)

—Page 187, line 14, strike out "or".

Page 187, line 16, strike out the period and insert in lieu thereof ", or".

Page 187, insert after line 16 the following new subparagraph:

(G) (i) is primarily engaged in providing, by or under the supervision of physicians, to inpatients rehabilitation services for the rehabilitation of injured, disabled, or sick persons, and (ii) is not a part of any other hospital.

By Mr. JACOBS:

(To the substitute offered by Mr. GEPHARDT to the amendment in the nature of a substitute reported by the Committee on Interstate and Foreign Commerce.)

On page 2, line 2, of the subtitle (as shown in H.R. 5635) strike out "and Reporting Act" and all that follows through page 28, line 21, and insert in lieu thereof the following:

Act of 1979".

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TITLE I—VOLUNTARY HOSPITAL COST CONTAINMENT PROGRAM

PART A—ESTABLISHMENT OF VOLUNTARY PERCENTAGE LIMITS

NATIONAL VOLUNTARY PERCENTAGE LIMIT

SEC. 101. (a) The Secretary, before April of each year (beginning with 1980 and ending with last year of the national voluntary period, as determined under section 115(a)), shall promulgate a national voluntary percentage limit for the preceding year, which shall be equal to the sum of the following four amounts (as computed by the Secretary):

(1) WAGE-RELATED EXPENSES FOR NONSUPERVISORY EMPLOYEES.—The percent increase in the national hospital wage-related marketbasket (as defined in section 323(2)) for that preceding year.

(2) NONWAGE HOSPITAL MARKETBASKET.—The greater of—

(A) the percent increase in the national hospital nonwage marketbasket (as defined in section 323(1)) for that preceding year, or

(B) (i) for 1979, 5.12 percent, or

(ii) for any other year, the percent increase in the national hospital nonwage marketbasket for that preceding year as estimated and announced under subsection (b)(1).

(3) POPULATION INCREASE FACTOR.—The percent increase in the national population (as defined in section 324(2)) for that preceding year.

(4) NET SERVICE INTENSITY ALLOWANCE.—One percent.

Notwithstanding the preceding provisions of this subsection, the national voluntary percentage limit for 1979 shall not be less than 11.6 percent.

(b) The Secretary, before the first calendar quarter beginning after the date of the enactment of this Act and before each succeeding calendar quarter of a year before 1984, shall estimate and announce—

(1) the percent increase in the national nonwage marketbasket for the twelve-month period beginning with that calendar quarter, and

(2) the sum of the average fractions of expenses of hospitals in the United States (described in section 323(1)(B)) attributable to classes of goods and services used in the computation of the percent increase (described in paragraph (1)) for that twelve-month period.

STATE AND INDIVIDUAL HOSPITAL VOLUNTARY PERCENTAGE LIMITS

SEC. 102. (a)(1) Except as provided in paragraph (3), the Secretary shall compute a State voluntary percentage limit and an individual hospital voluntary percentage limit under this section for each accounting year of a hospital ending during the period beginning January 1, 1979, and ending December 30, 1983.

(2) The Secretary shall compute these limits for a hospital's accounting period that ended—

(A) in 1979, before July 1, 1980, or

(B) after 1979, not later than six months after the end of the accounting period.

(3) The Secretary need not compute an individual hospital voluntary percentage limit for an accounting period of a hospital, if the period is after the voluntary period of the hospital (as determined under section 115(c)).

(b)(1) For a hospital's accounting period that ended on December 31, 1979, these limits shall be equal to the sum of the following four amounts:

(A) WAGE-RELATED EXPENSES FOR NONSUPERVISORY EMPLOYEES.—The percent increase in the wage-related marketbasket (as defined in section 323(4)) of the hospital for the accounting period.

(B) NONWAGE HOSPITAL MARKETBASKET.—The greater of (i) the percent increase in the non-wage marketbasket (as defined in section 323(3)) of the hospital for the accounting period, or (ii) 5.12 percent.

(C) POPULATION CHANGE FACTOR.—For the—

(i) State voluntary percentage limit, the percent change in State population (as defined in section 324(3)) for the accounting period of the hospital, or

(ii) the individual hospital voluntary percentage limit, the percent change in area population (as defined in section 324(1)) for the accounting period of the hospital.

(D) NET SERVICE INTENSITY ALLOWANCE.—One percent.

(2) For a hospital's accounting period that ended in 1979 before December 31, these limits shall be equal to the sum of the following two amounts:

(A) 1978 FACTOR.—The percentage increase in the hospital's expenses in its accounting period that ended in 1978 over its expenses in its preceding accounting period, multiplied by the fraction of the accounting period ending in 1979 that occurred in 1978.

(B) 1979 FACTOR.—The sum of the four amounts described in paragraph (1) for the accounting period, multiplied by the fraction of the accounting period that occurred in 1979.

(c) For a hospital's accounting period that ended after 1979, these limits shall be equal to the sum of the following four amounts:

(1) WAGE-RELATED EXPENSES FOR NONSUPERVISORY EMPLOYEES.—The percent increase in the wage-related marketbasket (as defined in section 323(4)) of the hospital for the accounting period.

(2) NONWAGE HOSPITAL MARKETBASKET.—The greater of—

(A) the percent increase in the nonwage marketbasket (as defined in section 323(3)) of the hospital for the accounting period, or

(B)(i) for an accounting period that began before the beginning of the first calendar quarter beginning after date of the enactment of this Act, 5.12 percent, or

(ii) for any other accounting period, the percent increase in the national hospital nonwage marketbasket as estimated and announced under section 101(b)(1) for the twelve-month period beginning with the calendar quarter in which the accounting period began, multiplied by the hospital's adjustment factor (as defined in section 323(5)) for the accounting period.

(3) POPULATION CHANGE FACTOR.—For the—

(A) State voluntary percentage limit, the percent change in State population (as defined in section 324(3)) for the accounting period of the hospital, or

(B) the individual hospital voluntary percentage limit, the percent change in area population (as defined in section 324(1)) for the accounting period of the hospital.

(4) NET SERVICE INTENSITY ALLOWANCE.—One percent.

(d)(1) A hospital may elect, in such manner and in accordance with such procedures as the Secretary shall provide, to exclude from the computation of its individual hospital expenses for purposes of the determination of its individual hospital voluntary percentage limit under this section and its individual hospital performance under sections 114 and 115(c)(2)(B) for all accounting pe-

riods of the hospital (beginning with the first accounting period for which the election is made)—

(A) expenses attributable to charity care (as defined in paragraph (2)(A)), or

(B) expenses attributable to bad debts (as defined in paragraph (2)(B)),

or both for the accounting period.

(2) For purposes of paragraph (1)—

(A) the term "expenses attributable to charity care" means, with respect to a hospital's accounting period, expenses relating to care, provided to patients by the hospital, for which reductions in (or elimination of) charges are made, as established by the hospital to the satisfaction of the Secretary, because of the indigence or medical indigence of the patients, and

(B) the term "expenses attributable to bad debts" means, with respect to a hospital's accounting period, expenses relating to care, provided to patients by the hospital, for which there are charges, to the extent to which the hospital establishes to the satisfaction of the Secretary, that (i) it has made reasonable efforts to collect such charges, (ii) any uncollected amounts are in fact uncollectible, and (iii) there is not substantial likelihood of their future collection.

PART B—REVIEW OF PERFORMANCE DURING VOLUNTARY PERIOD

NATIONAL HOSPITAL PERFORMANCE

SEC. 111. (a) The Secretary, before July 1, 1980, and before July 1 of any succeeding year that follows a year during the national voluntary period (as determined under section 115(a)), shall determine whether the increase in hospital expenses in the United States in the preceding year over those expenses in the second preceding year exceeded the national voluntary limit for the preceding year. He shall make that determination as follows:

(1)(A) He shall assign to each hospital's accounting period that ended on December 31 of that preceding year the national voluntary percentage limit (computed under section 101) for that preceding year.

(B) If the preceding year was 1979, he shall assign to each hospital's accounting period ending in 1979 before December 31 the sum of—

(i) 12.8 percent multiplied by the fraction of the accounting period that occurred in 1978, and

(ii) the national voluntary percentage limit for 1979 multiplied by the fraction of the accounting period that occurred in 1979.

(C) If the preceding year was 1980 or later, he shall assign to each hospital's accounting period ending before December 31 in that preceding year the sum of—

(i) the national voluntary percentage limit for that preceding year multiplied by the fraction of the accounting period that occurred in that second preceding year, and

(ii) the national voluntary percentage limit for that preceding year multiplied by the fraction of the accounting period that occurred in that preceding year.

(2) He shall compute the dollar amount by which each hospital's expenses in its accounting period ending in that preceding year exceeded (or was less than) its expenses in its preceding accounting period increased by the percentage limit assigned under paragraph (1) to the hospital's accounting period ending in that preceding year.

(3)(A) He shall compute the sum of the dollar amounts computed under paragraph (2).

(B)(i) For 1979, if the sum is greater than zero, he shall announce that the increase in hospital expenses in the United States for the preceding year exceeded the national voluntary limit for that year.

(ii) For 1979, if the sum is equal to or less than zero, he shall announce that the increase did not exceed the national voluntary limit for the preceding year and he shall credit, to a national carryforward account, an amount equal to one-half of the dollar amount of such savings.

(iii) Immediately before making a determination under this subsection for a year after 1979, the amount of any balance in the national carryforward account shall be increased by a percentage equal to the national voluntary percentage limit for the year.

(C)(i) For a year after 1979, if the sum is greater than zero, he shall apply, against such sum and to the extent of such sum, any balance in the national carryforward account (described in subparagraph (B)(ii)). If, after applying some or all of such balance, the sum is equal to zero, the Secretary shall announce that the increase in hospital expenses in the United States did not exceed the national voluntary limit for the preceding year and shall debit, against the national carryforward account, the amount of the account applied. If, after applying all of such balance, the sum is still greater than zero, he shall announce that the increase in hospital expenses in the United States for the preceding year exceeded the national voluntary limit for that year and shall reduce to zero the balance in the national carryforward account.

(ii) For a year after 1979, if the sum is equal to or less than zero, he shall announce that the increase did not exceed the national voluntary limit for the preceding year and he shall credit, to the national carryforward account, an amount equal to one-half of the dollar amount of such savings for such year.

(b) The Secretary shall report to each House of Congress on his announcement under subsection (a) and include in the report details as to the basis for the announcement.

CONGRESSIONAL REVIEW OF NATIONAL HOSPITAL PERFORMANCE

SEC. 112. (a)(1) If, within thirty days of continuous session after receipt of a report of the Secretary of Health, Education, and Welfare under section 111(b), relating to an announcement that the increase in hospital expenses in the United States for the preceding year exceeded the national voluntary limit for that year, either House of Congress adopts a resolution (described in subsection (b)(2)), the report shall be considered disapproved for purposes of section 115(a).

(2) For the purpose of paragraph (1)—

(A) continuity of session is broken only by an adjournment of Congress sine die, and

(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the thirty-day period.

(b)(1) This subsection is enacted by Congress—

(A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described in paragraph (2) of this subsection, and it supersedes other rules only to the extent that it is inconsistent therewith; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rules of the House.

(2) For purposes of this section, the term "resolution" means only a resolution of either House of Congress the matter after the resolving clause of which is as follows: "That the disapproves the report of the Secretary of Health, Education, and Welfare, made under section 111(b) of the Hospital Cost Containment Act of 1979, relating to the Secretary's announcement that the increase in hospital expenses in the United States for has exceeded the national voluntary limit for that year.", the first blank space therein being filled with the name of the resolving House and the other blank being filled in with the number of the year for which the announcement was made.

(3) A resolution once introduced with respect to a report shall immediately be referred to a committee (or committees) by the President of the Senate or the Speaker of the House of Representatives, as the case may be.

(4)(A) If the committee (or committees) to which a resolution has been referred has not reported it at the end of 15 calendar days after its referral, it shall be in order to move to discharge the committee (or committees) from further consideration of such resolution.

(B) A motion to discharge may be made only by an individual favoring the resolution, shall be highly privileged (except that it may not be made after the committee (or committees) has reported a resolution with respect to the same report), and debate thereon shall be limited to not more than one hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion was agreed to or disagreed to.

(C) If the motion to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee (or committees) be made with respect to any other resolution with respect to the same report.

(5)(A) When the committee (or committees) has reported, or has been discharged from further consideration of, a resolution, it shall be at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion shall be highly privileged and shall not be debatable. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion was agreed to or disagreed to.

(B) Debate on the resolution referred to in subparagraph (A) shall be limited to not more than five hours, which shall be divided equally between those favoring and those oppcsing such resolution. A motion further to limit debate shall not be debatable. An amendment to, or motion to recommit, the resolution shall not be in order, and it shall not be in order to move to reconsider the vote by which such resolution was agreed to or disagreed to.

(6)(A) Motions to postpone, made with respect to the discharge from committee (or committees), or the consideration of a resolution and motions to proceed to the consideration of other business, shall be decided without debate.

(B) Appeals from the decision of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution shall be decided without debate.

STATE HOSPITAL PERFORMANCE

SEC. 113. The Secretary, before July 1, 1980, and before July 1 of any succeeding year before 1984, shall determine whether the increase in hospital expenses in the State in the preceding year over those expenses in the second preceding year exceeded the State voluntary limit for the preceding year. He shall make that determination as follows:

(1) He shall compute the dollar amount by which the expenses of each hospital in the State in its accounting period ending

in that preceding year exceeded (or was less than) its expenses in its preceding accounting period increased by the State voluntary percentage limit (computed under section 102) for the hospital for the accounting period. The Secretary shall exclude from such determination the expenses of any hospital the voluntary period of which ended, under section 115(c)(2), in a year before such preceding year.

(2)(A) He shall compute the sum of the dollar amounts computed under paragraph (1).

(B)(i) For 1979, if the sum is greater than zero, he shall announce that the increase in hospital expenses in the State for the preceding year exceeded the State voluntary limit for that year.

(ii) For 1979, if the sum is equal to or less than zero, he shall announce that such increase did not exceed the State voluntary limit for the preceding year and he shall credit, to a State carryforward account for that State, an amount equal to one-half of the dollar amount of such savings.

(iii) Immediately before making a determination under this subsection for a year after 1979, the amount of any balance in the State carryforward account shall be increased by a percentage equal to the sum of the products, for each hospital in the State, of—

(I) the State voluntary percentage limit for the accounting period ending in the year, and

(II) the fraction of the expenses of hospitals in the State for accounting periods ending in the year which are the expenses of the hospital for its accounting period ending in the year.

The Secretary shall exclude from such determination any hospital the voluntary period of which ended, under section in 115(c)(2), in a year before such year.

(C)(i) For a year after 1979, if the sum is greater than zero, he shall apply, against such sum and to the extent of such sum, any balance in the State carryforward account (described in subparagraph (B)(ii)). If, after applying some or all of such balance, the sum is equal to zero, the Secretary shall announce that the increase in hospital expenses in the State did not exceed the State voluntary limit for the preceding year and shall debit, against the State carryforward account of that State, the amount of the account applied. If, after applying all of such balance, the sum is still greater than zero, he shall announce that the increase in hospital expenses in the State for the preceding year exceeded the State voluntary limit for that year and shall reduce to zero the balance of the State carryforward account of the State.

(ii) For a year after 1979, if the sum is equal to or less than zero, he shall announce that the increase did not exceed the State voluntary limit for the preceding year and he shall credit, to the State carryforward account for that State, an amount equal to one-half of the dollar amount of such savings for such year.

INDIVIDUAL HOSPITAL PERFORMANCE

SEC. 114. (a) The Secretary, when he computes an individual hospital voluntary percentage limit under section 102, shall determine whether the percent increase in a hospital's expenses in the hospital's accounting period over those expenses in the previous accounting period exceeding the hospital's individual hospital percentage limit for the period.

(b)(1)(A) For the accounting period ending in 1979, if there was an excess under subsection (a), the Secretary shall inform the hospital that the increase in the hospital's expenses in the accounting period exceeded the hospital's individual voluntary percentage limit for that period.

(B) For the accounting period ending in 1979, if there was no such excess under subsection (a), the Secretary shall inform the hospital that the increase in the hospital's expenses did not exceed the hospital's individual voluntary percentage limit for the period and he shall credit, to a carryforward account for that hospital, an amount equal to one-half of the dollar amount of such savings.

(C) Immediately before making a determination under this subsection for a year after 1979, the amount of any balance in the carryforward account of a hospital shall be increased by a percentage equal to the individual hospital voluntary percentage limit for the period.

(2)(A) For an accounting period ending in a year after 1979, if there was an excess under subsection (a), the Secretary shall apply, against such excess and to the extent of such excess, any balance in the hospital's carryforward account (described in paragraph (1)(B)). If, after applying some or all of such balance, there is no excess remaining, the Secretary shall inform the hospital that the increase in the hospital's expenses did not exceed the hospital's individual voluntary percentage limit for the accounting period and shall debit, to the carryforward account for that hospital, the amount of the account applied. If, after applying all of such balance, there is still an excess, he shall inform the hospital that the increase in the hospital's expenses in the accounting period exceeded the hospital's individual voluntary percentage limit for that period and shall reduce to zero the balance in the carryforward account of the hospital.

(B) For an accounting period ending in a year after 1979, if there is no excess, he shall inform the hospital that such increase did not exceed the hospital's voluntary percentage limit for the period and he shall credit, to the carryforward account for that hospital, an amount equal to one-half of the dollar amount of such savings for such period.

DURATION OF NATIONAL, STATE, AND INDIVIDUAL HOSPITAL VOLUNTARY PERIODS

SEC. 115. (a) The national voluntary period shall be considered to begin with 1979 and to end with the earlier of 1983 or the first year for which—

(1) the Secretary has announced and reported to Congress under section 111 that total expenses of hospitals in the United States for the year have exceeded the national voluntary limit for that year, and

(2) neither House of Congress has, under section 112, disapproved the report for that year.

(b) The voluntary period of a State shall be considered to begin with 1979 and to end with the earlier of 1983 or the first year—

(1) which is the last year of, or is any year after, the national voluntary period (as determined under subsection (a)), and

(2) for which the Secretary has announced under section 113 that total expenses of hospitals in the State for the year have exceeded the State voluntary limit for that State for that year.

(c) The voluntary period of an individual hospital shall be considered to begin with the hospital's accounting period ending in 1979 and to end with the hospital's accounting period ending in 1983, or, if earlier, the first accounting period—

(1)(A) which ends in the last year of, or in any year after, the voluntary period of the State in which the hospital is located (as determined under subsection (b)), and (B) for which the Secretary has informed the hospital under section 114 that the hospital's expenses in the accounting period have exceeded the hospitals' individual hospital voluntary percentage limit for that period; or

(2)(A) which ends in a year after the end of the national voluntary period (as determined under subsection (a)), and

(B) for which the Secretary determines that—

(i) the amount of the excess (if any) computed under section 114(b) for the period is greater than 1 percent of the hospital's expenses for the previous accounting period, and

(ii) the net amount of the excess (if any) computed under such section for the previous accounting period is greater than 1 percent of the hospital's expenses for the second previous accounting period.

(d)(1) Subject to paragraph (2), the Secretary may not enter into an agreement under section 1866 of the Social Security Act with any hospital for any period beginning after the end of the voluntary period of the hospital (as determined under subsection (c)).

(2) Paragraph (1) shall not apply to a hospital for an accounting period for which there is an exemption under part B of title II.

TITLE II—STATE MANDATORY HOSPITAL COST CONTAINMENT PROGRAMS AND ENFORCEMENT

PART A—APPROVAL OF STATE MANDATORY PROGRAMS AND EXEMPTIONS FROM RESTRICTIONS

APPROVAL OF STATE MANDATORY PROGRAMS

SEC. 201. (a) The chief executive of any State may apply to the Secretary for the approval for a year of a State mandatory hospital cost containment program (hereinafter in this section referred to as "the program") established in the State. The Secretary shall approve the program for the year if—

(1) the Secretary determines that the program will be applicable to—

(A) all hospitals in the State and to all revenues or expenses for inpatient hospital services (other than revenues under title XVIII of the Social Security Act, unless approved by the Secretary), or

(B) at least 75 percent of all revenues or expenses for inpatient hospital services (including revenues under title XVIII of the Social Security Act);

(2) the Secretary receives satisfactory assurances as to the equitable treatment under the program of all entities (including Federal and State programs) that pay hospitals for inpatient hospital services, of hospital employees, and of hospital patients;

(3) the program does not treat, directly or indirectly, as revenues of any hospital any of the hospital's amounts related to philanthropy (as defined in section 322(3)); and

(4) the Secretary—

(A) determines that for the previous year, if (for accounting periods of hospitals in the State ending in such previous year) the State voluntary percentage limits (computed under section 102) were increased by 1 percentage point, the Secretary would determine that the sum of the dollar amounts computed under the first sentence of section 113(a)(1) for such previous year would be equal to or less than zero, or

(B) receives satisfactory assurances that such sum of dollar amounts, computed under the first sentence of section 113(a)(1) for the year, will be equal to or less than zero.

The requirements of paragraphs (1), (2), and (3) shall not apply to any State mandatory hospital cost containment program which was established by statute before, and in effect on, January 1, 1979.

(b) The Secretary, in establishing standards and reviewing applications for approval of State mandatory hospital cost containment programs under this section, shall consult with the National Commission on Hospital Cost Containment (established under section 301).

(c)(1) There shall be exempted from any restriction under section 115(d)(1) any agreement under section 1866 of the Social Security Act of a hospital in a State which begins in a year in which a State mandatory hospital cost containment program for the State has been approved under this section.

(2) The Secretary may waive requirements for reimbursement under title XVIII of the Social Security Act for hospitals located in States with mandatory hospital cost containment programs approved under this section.

FUNDING OF STATE MANDATORY PROGRAMS

SEC. 202. (a) The Secretary may make grants to States to assist them in planning, establishing, or operating State mandatory hospital cost containment programs.

(b) An application by a State for assistance under this section shall be in such form, submitted in such manner, and contain such information and assurances, as the Secretary may require.

(c) The Secretary shall determine the amount of any assistance provided under this section, and may make payment in advance or by way of reimbursement, and at such intervals and on such conditions as he finds necessary. Subject to appropriations, the Secretary may provide assistance in amounts up to 50 percent of the necessary expenses involved with the planning, establishment, or operation of such a program.

(d) There are authorized to be appropriated for assistance under this section $10,000,000 for the fiscal year ending September 30, 1980, and such sums as may be necessary for each of the three succeeding fiscal years.

EXEMPTION OF HOSPITALS ENGAGED IN CERTAIN EXPERIMENTS OR DEMONSTRATIONS

SEC. 203. The Secretary may exempt hospitals from the application of the restriction of section 115(d)(1) if he determines that—

(1) the exemption is necessary to facilitate an experiment or demonstration entered into under section 402 of the Social Security Amendments of 1967, section 222 of the Social Security Amendments of 1972, or section 1526 of the Public Health Service Act, and

(2) the experiment or demonstration is consistent with the purposes of this Act.

PART B—ENFORCEMENT

CONFORMANCE BY CERTAIN FEDERAL AND STATE PROGRAMS

SEC. 211. (a) Notwithstanding any provision of title XVIII of the Social Security Act, reimbursement for inpatient hospital services under the program established by such title shall not be payable, on an interim basis or in final settlement, to a hospital for an accounting period which is exempted from a restriction under section 115(d)(1) because the hospital is located in a State with a mandatory hospital cost containment program approved under part A, to the extent that the reimbursement exceeds the limit prescribed under such program.

(b) Notwithstanding any provision of title V of XIX of the Social Security Act, payment shall not be required to be made by any State under either such title, nor shall payment be made to any State under either such title, with respect to any amount paid for inpatient hospital services to a hospital for an accounting period which is exempted from restriction under section 115(d)(1) because the hospital is located in a State with a mandatory hospital cost containment program approved under part A, to the extent that the reimbursement exceeds the limit prescribed under such program.

TITLE III—STUDIES, ADMINISTRATIVE PROVISIONS, AND DEFINITIONS

PART A—STUDIES AND REPORTS

NATIONAL COMMISSION ON HOSPITAL COST CONTAINMENT

SEC. 301. (a) The Secretary shall establish a National Commission on Hospital Cost Containment (hereinafter in this section referred to as the "Commission").

(b) The Commission shall consist of fifteen members appointed by the Secretary. Of those members—

(1) five shall be individuals representative of hospitals.

(2) five shall be individuals representative of entities that reimburse hospitals, of whom one shall be the Administrator of the Health Care Financing Administration, and

(3) five shall be individuals who are not representative of either hospitals or of entities that reimburse hospitals.

(c)(1) Except as provided in paragraphs (2) and (3), members shall be appointed for three years.

(2) Of the members first appointed—

(A) five shall be appointed for a term of two years, and

(B) five shall be appointed for a term of one year.

(3) Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of the member's term until the member's successor has taken office.

(d) The Secretary shall appoint one of the members as Chairman, to serve until the expiration of the member's term.

(e) Eight members of the Commission shall constitute a quorum to do business. The Commission shall meet at the call of the Chairman or at the call of a majority of its members.

(f) The Commission shall advise, consult with, and make recommendations to, the Secretary with respect to—

(1) the implementation of this Act,

(2) proposed modifications to the provisions of this Act, and

(3) any other matters that may affect hospital expenses or revenues.

(g)(1) Except as provided in paragraph (2), members of the Commission shall each be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of Commission duties.

(2) Members of the Commission who are full-time officers or employees of the United States shall receive no additional pay on account of their service on the Commission.

(3) While away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of title 5, United States Code.

(h) The Commission may, subject to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, appoint, fix the pay of, and prescribe the functions of such personnel as are necessary to carry out its functions. In addition, the Commission may procure the services of experts and consultants as authorized by section 3109 of such title.

(i) The provisions of section 14(a) of the Federal Advisory Committee Act shall not apply with respect to the Commission.

TASKFORCE ON CONSUMER AND PHYSICIAN INCENTIVES TOWARD HOSPITAL COST CONTAINMENT

SEC. 302. (a)(1) There is hereby established a Taskforce on Consumer and Physician Incentives Toward Hospital Cost Containment (hereinafter in this section referred to as the "Taskforce"), to be composed of seven members—

(A) three appointed by the President,

(B) two appointed by the Speaker of the House of Representatives, and

(C) two appointed by the President of the Senate.

Members of the Taskforce shall serve without additional compensation.

(2) The Taskforce shall carry out its activities in consultation with appropriate Federal agencies, private organizations, consumers, physicians, and other interested parties.

(b) The Taskforce shall study—

(1) the effect of different policies and procedures (including use of deductibles, coinsurance, and cost- or risk-sharing; tax deduction and exclusion from income provisions of the Internal Revenue Code of 1954; and prepaid health plans) relating to payment for hospital services on (A) consumer and physician awareness of the relative cost and quality of different hospital (and outpatient) services, (B) utilization of hospital services, and (C) the quality of hospital services provided, and

(2) the desirability of increasing the use of these and similar methods in federally funded and other health insurance programs,

and shall make recommendations to the Congress for appropriate changes in legislation. The Taskforce shall complete its study, and submit a report thereon to the appropriate committees of the Congress, not later than two years after the date members are first appointed to the Taskforce.

EVALUATION OF COST CONTAINMENT PROGRAM

SEC. 303. (a) The Secretary shall conduct a comprehensive evaluation (hereinafter in this section referred to as the "evaluation") of the cost controls established under this Act, focusing on—

(1) their efficiency, effectiveness, and fairness compared to alternative strategies for containing hospital costs, and

(2) modifications of the present system of reimbursing hospitals under the medicare program on the basis of their retrospectively determined costs.

(b) The Secretary shall submit to the Congress not later than—

(1) six months after the date of the enactment of this Act, a formal plan for the evaluation,

(2) two years after the date of the enactment of this Act, an interim report on the evaluation, and

(3) December 31, 1983, a final report on the evaluation.

REPORT ON COST CONTAINMENT ALTERNATIVES

SEC. 304. (a) The Secretary shall prepare and submit to Congress, not later than one year after the date of the enactment of this Act, a report on additional or alternative measures (such as changes in (1) methods of third-party reimbursement for health costs, (2) physician reimbursement, (3) payment for drugs and medical supplies, (4) utilization of health facilities and services, and (5) capital expenditures) that can be taken to control costs in the health care industry, as well as the hospital part of the industry.

(b) The report shall include the results of a study, conducted by the Secretary in consultation with appropriate national organizations, on the activities, programs, operating costs, and reimbursement of children's hospitals (described in section 321(3)(E)). With such results, the Secretary shall include findings and recommendations, including a recommendation with respect to the use of a system for the prospective measurement of costs of such hospitals.

PART B—ADMINISTRATIVE PROVISIONS

REGULATIONS AND SHORT ACCOUNTING PERIODS

SEC. 311. (a) The Secretary may prescribe regulations to implement the provisions of this Act and shall determine or estimate any amounts or limits specified in this Act.

(b) The Secretary may make appropriate adjustments in the application of the provisions of this Act with respect to short accounting periods (described in section 32(1)(B)).

HEARINGS AND APPEALS

SEC. 312. (a) Any hospital or payer dissatisfied with a determination made on behalf of the Secretary under section 115(d)(1) may obtain a hearing before the Provider Reimbursement Review Board (established under section 1878(h) of Social Security Act

and hereinafter in this section referred to as the "Board") if the amount in controversy is $10,000 or more and the request for such hearing is filed within one hundred and eighty days after notice of the determination.

(b)(1) The provisions of subsections (c), (d), (e), (f), and (i) of section 1878 of the Social Security Act shall apply to hearings provided under subsection (a). In addition, the Board shall have the power to affirm or reverse any final determination (described in subsection (a)) of a fiscal intermediary or another entity acting on behalf of the Secretary.

(2) After completing a hearing provided under subsection (a) with respect to a determination, the Board shall render its decision on the determination not later than sixty days after the last day of the hearing.

(c) In addition to the members appointed under section 1878(h) of the Social Security Act, the Secretary may appoint up to four additional members to the Board. For every two additional members appointed under this subsection, one shall be representative of providers of services. Those provisions of section 1878(h) of the Social Security Act which relate to compensation and terms of office of members of the Board shall also apply to members appointed under this subsection.

IMPROPER CHANGES IN ADMISSIONS PRACTICES

SEC. 313. (a) No hospital may change its admission practices in a manner which results in—

(1) a significant reduction in the proportion of its patients who have no third-party coverage and who are unable to pay for inpatient hospital services provided by the hospital,

(2) a significant reduction in the proportion of persons admitted to the hospital for inpatient hospital services for which payment is (or is likely to be) less than the anticipated charges for or costs of such services,

(3) the refusal to admit patients who would be expected to require unusually costly or prolonged treatment for reasons other than those related to the appropriateness of the care available at the hospital, or

(4) the refusal to provide emergency services to any person who is in need of emergency services if the hospital provides such services.

(b) The Secretary shall monitor, on a periodic basis, the extent of each hospital's compliance with subsection (a).

(c)(1) Upon written complaint by any institution that satisfies paragraphs (1) and (7) of section 1861(e) of the Social Security Act or upon receiving such volume of written complaints or such reasonable documentation from any persons (as the Secretary finds sufficient) that a hospital has changed its admission practices in a manner in violation of subsection (a), the Secretary shall investigate the complaint and, upon a finding by him that the complaint is justified, he may—

(A) exclude the hospital from participation in any or all of the programs established by title V, XVIII, or XIX of the Social Security Act, or

(B) reduce the total amounts otherwise reimbursable to the hospital under title XVIII of the Social Security Act in an amount equal to $2,000 for each of the number of persons who were not admitted as patients because of the change,

or both.

(2) In addition the Secretary may take any other action authorized by law (including an action to enjoin such a violation brought by the Attorney General upon request of the Secretary) which will restrain or compensate for a violation of subsection (a).

(d) Any hospital aggrieved by a determination of the Secretary under subsection (c) shall, upon timely request, be entitled to a hearing on the record on such determination (in accordance with section 554 of title 5, United States Code), and no reduction in reimbursement may be made under subsection (c)(1)(B) with respect to a hospital until the hospital has had the opportunity for such a hearing and judicial review (under chapter 7 of such title) on the determination after the hearing.

(e)(1) An appropriate civil action to restrain an alleged violation of subsection (a) may be brought by a person other than the Secretary, but only if—

(A) One hundred and eighty days have passed from the date a complaint with respect to that alleged violation has been filed by the person with the Secretary, and

(B) neither the Secretary nor the Attorney General has commenced and is diligently pursuing judicial proceedings or administrative action with respect to the alleged violation.

(2) Any civil action under this subsection shall be brought in the United States district court for the judicial district in which the hospital in question is located, and the district courts of the United States shall have jurisdiction over actions brought under this subsection without regard to the amount in controversy or the citizenship of the parties.

(3) In any action brought under this subsection, the Secretary or the Attorney General, if not a party, may intervene as a matter of right.

(4) The court, in issuing any final order in any action brought under this subsection, may award costs of suit and reasonable fees for attorneys and expert witnesses if the court determines that such an award is appropriate. Any court, in issuing its decision in an action brought to review such an order, may award costs of suit and reasonable fees for attorneys if the court determines that such an award is appropriate.

(f) Nothing in this section shall restrict any right which any person (or class of persons) may have under any other statute or at common law to seek enforcement of this Act or to seek any other relief.

CONFIDENTIALITY OF CERTAIN MEDICAL RECORDS

SEC. 314. (a) No officer, employee, or agent of the Federal Government or of an organization conducting medical reviews under part B of title XI of the Social Security Act may, for purposes of carrying out this Act, inspect (or have access to), any part of an individually identifiable medical record (as defined in subsection (c)) of a patient which relates to medical care not provided directly by the Federal Government or paid for (in whole or in part) under a Federal program or under a program receiving Federal financial assistance, unless the patient has authorized such disclosure and inspection in accordance with subsection (b).

(b) A patient authorizes disclosure and inspection of a medical record for purposes of subsection (a) only if, in a signed and dated statement, the patient—

(1) authorizes the disclosure and inspection for a specific period of time;

(2) identifies the medical record authorized to be disclosed and inspected; and

(3) specifies the agencies which may inspect the record and to which the record may be disclosed.

(c) For purposes of this section:

(1) The term "individually identifiable medical record" means a medical, psychiatric, or dental record concerning an individual that is in a form which either identifies the individual or permits identification of the individual through means (whether direct or indirect) available to the public.

(2) The term "medical care" includes medical, psychiatric, and dental care and treatment.

DETERMINATION OF RELATIVE EFFICIENCY OF HOSPITAL AND MEDICARE AND MEDICAID BONUSES FOR EFFICIENCY

SEC. 315. (a) The Secretary shall develop (and may from time to time revise), by regulation, a system of grouping hospitals by appropriate characteristics, such as patient case mix and metropolitan or nonmetropolitan setting. He shall establish (and may from time to time revise), by regulation, a method of measuring efficiency within each group that provides for setting a group norm, defined in terms of all or certain hospital expenses (adjusted for area wage differentials). In determining individual hospital efficiency under the method, the Secretary may take into account systemwide savings attributable to lower hospital inpatient utilization per capita in the area in which the hospital is located. The Secretary, in carrying out the requirements of this subsection with respect to hospitals located in Hawaii or Alaska, shall make such adjustments as may be necessary to reflect the higher prices for classes of goods and services prevailing in each of those States. If the hospital provides care to a greater percentage of patients sixty-five years of age or older than the average percentage for its group, the Secretary shall adjust (to the extent the method for determining the relative efficiency of the hospital does not otherwise take this into consideration) the amount of the hospital's expenses to take into consideration the higher average costs associated with care for patients sixty-five or older to the extent of such excess percentage.

(b)(1) The Secretary may, in his discretion, provide for a bonus in the amount otherwise reimbursable to a hospital under title XVIII or under a State plan approved under title XIX of the Social Security Act to reflect that the hospital, as determined under subsection (a), is more efficient for an accounting period than the group norm for hospitals in its group. Such a bonus may not exceed the lesser of—

(A) one-half of the total amount of the savings under such title or plan of the hospital below the group norm, or

(B) the product of (i) 5 percent of the amount of the expenses for the group norm per unit of measurement, and (ii) the number of units of measurement associated with the hospital's performance.

(2) Any bonus provided under this subsection shall be additional to any other reimbursement provided under such titles.

(3) Bonuses payable pursuant to this section shall be paid, in appropriate proportions, from the Federal Hospital Insurance Trust Fund (established under section 1817 of the Social Security Act) and under a State plan approved under title XIX of such Act.

(4) In exercising his discretion under this section, the Secretary shall take into account (A) the degree to which a hospital has been more efficient than other hospitals in its group, and (B) the existence of a similar bonus under any State mandatory hospital cost containment program to which the hospital is subject.

(5) The Secretary may not provide, in any fiscal year, for more than $50,000,000 in bonuses to hospitals under this section.

SUNSET PROVISION

SEC. 317. (a) Except as otherwise provided in this Act, the provisions of this Act relating to—

(1) the national voluntary percentage limit shall not apply to years after 1982;

(2) State and individual hospital voluntary percentage limits shall not apply to accounting periods of hospitals beginning in any year after 1983;

(3) restrictions under section 115(d)(1) on entering into agreements under section 1866 of the Social Security Act shall not ap-

ply to agreements entered into for periods beginning after 1983; and

(4) medicare and medicaid bonuses under section 315(b) shall apply only with respect to accounting periods of hospitals ending after December 31, 1979, and before January 1, 1984.

(b)(1) Section 313 shall not apply to changes in admissions practices occurring after December 31, 1983.

(2) Paragraph (1) does not preclude the exclusion or reduction provided in section 313 (c)(1) with respect to improper changes in admission practices occurring before January 1, 1984.

(c) The National Commission on Hospital Cost Containment shall be established under section 301 not earlier than October 1 of the year in which this Act is enacted and shall be terminated on March 1, 1984.

(d) The Taskforce on Consumer and Physician Incentives Towards Hospital Cost Containment shall be established under section 302 not earlier than October 1 of the year in which this Act is enacted and shall be terminated not later than March 1, 1984.

PART C—DEFINITIONS

GENERAL DEFINITIONS

SEC. 321. For purposes of this Act:

(1) The term "accounting period" means—

(A) except as provided in subparagraph (B)—

(i) in the case of a hospital participating in the program established by title XVIII of the Social Security Act, the period of twelve consecutive calendar months utilized as the reporting period of reimbursement purposes under that program,

(ii) in the case of a hospital not participating in the program established by title XVIII of the Social Security Act, a calendar year, or, if requested by the hospital, such other period of twelve consecutive calendar months as the Secretary may approve, and

(B) in the case of a hospital whose period under subparagraph (A) is changed from one twelve-month period to another, such shorter period as the Secretary may establish.

(2)(A) The term "admission" means the formal acceptance by a hospital of an inpatient, excluding newborn children (unless retained after discharge of the mother) or a transfer within or among inpatient units of the hospital.

(B) In the case of the admission of an individual whose inpatient hospital services are to be reimbursed in part by more than one cost payer, the admission shall be attributed to the cost payer which is to reimburse for such services furnished before such services are furnished for which other cost payers are to reimburse.

(3) The term "hospital", with respect to any period, means an institution (or distinct part of an institution if the distinct part participates in the program established by title XVIII of the Social Security Act) that satisfies paragraphs (1) and (7) of section 1861(e) of the Social Security Act during all of the period and has satisfied those conditions during the preceding thirty-six months, but does not include any such institution if it—

(A) had an average duration of stay of thirty days or more during the preceding thirty-six months,

(B) derived 75 percent or more of its inpatient care revenues from one or more health maintenance organizations (as defined in section 1301(a) of the Public Health Service Act) during the preceding twelve months,

(C)(i) is located in a rural area and (ii) had average annual admissions of four thousand or less during the preceding thirty-six months,

(D) does not impose charges or accept payments for services provided to patients,

(E) is an institution (i) organized and operated for the care of children and youth, and (ii) a majority of whose inpatients are eighteen years of age or younger, or

(F) is a psychiatric hospital (as described in section 1861(f)(1) of the Social Security Act),

and for purposes of section 201, does not include an institution if it is a Federal institution during any part of the period. For purposes of subparagraph (C), the term "rural area" includes an area which is either outside an urban area (as defined by the Bureau of the Census) or outside a Standard Metropolitan Statistical Area (as determined by the Office of Management and Budget).

(4) The term "inpatient hospital services" has the meaning assigned by section 1861(b) of the Social Security Act, but includes in addition the services specified in section 1861(b)(5) of that Act.

(5) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(6) The term "State" means each of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands.

(7) The term "supervisor" has the meaning assigned by section 2(12) of the National Labor Relations Act.

(8) The term "United States" means the geographic area consisting of all the States.

DEFINITIONS RELATING TO CHARGES, EXPENSES, AND REIMBURSEMENT

SEC. 322. For purposes of this Act:

(1) The term "hospital expenses", for purposes of title I, does not include any SHUR expenses (as defined in paragraph (5)).

(2) The term "inpatient charges" means charges (as defined by section 405.452(d)(4) of title 42, Code of Federal Regulations, as in effect on the date of the enactment of this Act) for inpatient hospital services.

(3) The term "amounts related to philanthropy" means, with respect to a hospital, any amounts which are attributable to—

(A) a donor designated or restricted grant, gift, or income from an endowment, as defined in section 405.423(b)(2) of title 42 of the Code of Federal Regulations;

(B) a grant or gift, or income from such a grant or gift, which is not available for use as operating funds because of its designation by the hospital's governing board;

(C) a grant or similar payment which is made by a governmental entity and which is not available, under the terms of the grant or payment, for use as operating funds;

(D) the sale or mortgage of any real estate or other capital assets of the hospital which the hospital acquired through a gift or grant and which is not available for use as operating funds under the terms of the gift or grant or because of its designation by the hospital's governing board; and

(E) a depreciation fund which is (i) created by the hospital in order to meet a condition imposed by a third party for the third party's financing of a capital improvement of the hospital, and (ii) is used exclusively to make payments to such third party for the financing of the capital improvement.

(4) The term "SHUR expenses" means expenses incurred by a hospital only in order to comply with the requirement of sections 1861(v)(1)(F) and 1902(a)(40) of the Social Security Act (relating to reporting under a system for hospital uniform reporting).

(5) The term "wage-related expenses" means wages (as such term is used under the Fair Labor Standards Act of 1938) and includes overtime wages and shift differential, taxes imposed under section 1401, 3101, or 3111 of the Internal Revenue Code of 1954 (relating to the Federal Insurance Contributions Act taxes), and expenses relating to unemployment compensation, workmen's compensation, and fringe benefits (including pensions and health benefits) as established by the Secretary by regulation.

DEFINITIONS RELATING TO MARKETBASKET INCREASES

SEC. 323. For purposes of this Act:

(1) The term "percent increase in the national hospital nonwage marketbasket" means, for a twelve-month period, sum of the products of—

(A) the average percentage increase in the United States in the price of each appropriate class (as determined by the Secretary) of goods and services (other than wage-related expenses and SHUR expenses) in the period over the price of the class in the preceding twelve-month period, and

(B) the average fraction (as computed by the Secretary from time to time) of the expenses of hospitals in the United States attributable to that class.

(2) The term "percent increase in the national hospital wage-related marketbasket" means, for a year, the product of—

(A) the average percentage increase in the wage-related expenses paid in the year over the wage-related expenses paid in the preceding year per employee per hour to employees (other than to doctors of medicine or osteopathy and to supervisors) of hospitals in the United States, and

(B) the average fraction (as computed by the Secretary from time to time) of the expenses of hospitals in the United States attributable to such wage-related expenses.

(3) The term "percent increase in the nonwage marketbasket" means, for an accounting period of a hospital, the sum of the products of—

(A) the average percentage increase in the United States (or in the area or State in which the hospital is located, if data for the hospital's area or State are available) in the price of each appropriate class (as determined by the Secretary) of goods and services (other than wage-related expenses and SHUR expenses) in the period over the price of the class in the preceding accounting period, except that the Secretary, in applying such percentage increase with respect to hospitals located in Hawaii or in Alaska, shall make such adjustment in such percentage increase as may be necessary to reflect any higher rate of increase in the prices of classes of goods and services in those States as compared with such rate of increase in the United States, and

(B) the fraction (as computed by the Secretary from time to time) of the hospital's expenses attributable to the class.

(4) The term "percent increase in the wage-related marketbasket" means, for a hospital for an accounting period, the product of—

(A) the average percentage increase in the wage-related expenses paid in the period over the wage-related expenses paid in the preceding period per employee per hour to employees (other than to doctors of medicine or osteopathy and to supervisors) of the hospital (or zero, if there are not sufficent data to make a reasonable estimate), and

(B) the average fraction (as computed by the Secretary from time to time) of the hospital's expenses attributable to such wage-related expenses.

(5) The term "adjustment factor" means, for a hospital for an accounting period, a fraction with—

(A) the numerator equal to the sum of the fractions of the hospital's expenses (described in paragraph (3)(B)) attributable to classes of goods and services described in such paragraph, and

(B) the denominator equal to the sum of the average fractions of expenses of hospitals in the United States, as estimated and announced under section 101(b)(2) before the calendar quarter in which the accounting period begins.

DEFINITIONS RELATING TO POPULATION CHANGES

SEC. 324. For purposes of this Act:

(1) The term "percent change in area

population" means, for an accounting period of a hospital, the highest of—

(A) the percent change in State population (as defined in paragraph (3)) for the period, or

(B) the percentage change in the size of the population of the Standard Metropolitan Statistical Area (as determined by the Office of Management and Budget), if any, in which the hospital is located in the year preceding the year in which the accounting period ends over the size of the population of such Area in the second preceding year, or

(C) the percentage change in the size of the population of the county or county equivalent area (as recognized by the Bureau of the Census) in which the hospital is located in the year preceding the year in which the accounting period ends over the size of the population of such county or area in the second preceding year.

(2) The term "percent increase in the national population" means, for a year, the percentage by which the size of the population in the United States in the year exceeds the size of the population of the United States in the preceding year.

(3)(A) Subject to subparagraph (B), the term "percent change in State population" means, for an accounting period of a hospital, the percentage change in the size of the population of the State in which the hospital is located in the year preceding the year in which the accounting period ends over the size of the population of the State in the second preceding year.

(B) In the case of a State in which the rate of increase in its population of persons sixty-five years of age or older for a year exceeds the rate of increase in the population of such persons in the United States for the year, the Secretary shall provide for such adjustment in the percent change in State population for accounting periods (of hospitals in the State) ending in the year in a manner which takes into consideration the additional costs (based on national data for cost of hospital services per capita for such persons as opposed to persons of other ages) involved in caring for such persons to the extent of such excess increase rate.

(To the amendment in the nature of a substitute reported by the Committee on Interstate and Foreign Commerce.)

—Pages 112 and 113, amend the items in the table of contents related to title II to read as follows:

TITLE II—STATE MANDATORY HOSPITAL COST CONTAINMENT PROGRAMS AND ENFORCEMENT

PART A—APPROVAL OF STATE MANDATORY PROGRAMS AND EXEMPTIONS FROM RESTRICTIONS

Sec. 201. Approval of State mandatory programs.

Sec. 202. Funding of State mandatory programs.

Sec. 203. Exemption of hospitals engaged in certain experiments or demonstrations.

PART B—ENFORCEMENT

SEC. 211. Conformance by certain Federal and State programs.

Page 113, strike out the item in the table of contents relating to section 313 and redesignate succeeding provisions in part B of title III accordingly.

Page 139, amend lines 6 through 11 to read as follows:

(d)(1) Subject to paragraph (2), the Secretary may not enter into an agreement under section 1866 of the Social Security Act with any hospital for any period beginning after the end of the voluntary period of the hospital (as determined under subsection (c)).

Page 139, strike out line 15 and all that follows through page 154, line 3 and insert in lieu thereof the following:

TITLE II—STATE MANDATORY HOSPITAL COST CONTAINMENT PROGRAMS AND ENFORCEMENT

PART A—APPROVAL OF STATE MANDATORY PROGRAMS AND EXEMPTIONS FROM RESTRICTIONS

Page 154, line 5, strike out "211" and insert in lieu thereof "201".

Page 155, line 12, strike out "322(3)" and insert in lieu thereof "322(2)".

Page 156, amend lines 11 through 16 to read as follows:

(c)(1) There shall be exempted from any restriction under section 115(d)(1) any agreement under section 1866 of the Social Security Act of a hospital in a State which begins in a year in which a State mandatory hospital cost containment program for the State has been approved under this section.

Page 157, line 15, strike out "212" and insert in lieu thereof "202".

Page 158, amend lines 14 through 17 to read as follows:

SEC. 203. The Secretary may exempt hospitals from the application of the restriction of section 115(d)(1) if he determines that—

Page 159, strike out line 3 and all that follows through page 166, line 11 and insert in lieu thereof the following:

PART B—ENFORCEMENT

Page 166, line 14, strike out "222" and insert in lieu thereof "211".

Page 166, strike out the dash at the end of line 19 and all that follows through page 167, line 5 and insert in lieu thereof the following: "which is exempted from a restriction under section 115(d)(1) because the hospital is located in a State with a mandatory hospital cost containment program approved under part A, to the extent that the reimbursement exceeds the limit prescribed under such program.".

Page 167, strike out the dash on line 12 and all that follows through line 23 and insert in lieu thereof the following: "which is exempted from a restriction under section 115(d)(1) because the hospital is located in a State with a mandatory hospital cost containment program approved under part A, to the extent that the reimbursement exceeds the limit prescribed under such program.".

Page 171, line 21, strike out "part A of title II" and insert in lieu thereof "section 115(d)(1)".

Page 172, line 8, strike out ", modify,".

Page 173, strike out line 3 and all that follows through page 174, line 20.

Page 174, line 22, strike out "314" and insert in lieu thereof "313".

Page 178, line 15, strike out "315" and insert in lieu thereof "314".

Page 181, line 15, strike out "and shall not" and all that follows through "title II" on line 18.

Page 182, amend lines 20 through 23 to read as follows:

(3) restrictions under section 115(d)(1) on entering into agreements under section 1866 of the Social Security Act shall not apply to agreements entered into for periods beginning after 1984; and

Page 182, line 25, strike out "315(b)" and insert in lieu thereof "314(b)".

Page 183, lines 4 and 8, strike out "314" and "314(c)(1)", respectively, and insert in lieu thereof "313" and "313(c)(1)", respectively.

Page 185, strike out line 7 and all that follows through page 186, line 2, and redesignate succeeding paragraphs accordingly.

Page 103, line 5, strike out "211" and insert in lieu thereof "201".

Page 188, strike out line 23 and all that follows through page 189, line 22, and redesignate succeeding paragraphs accordingly.

By Mr. RANGEL:

(To the amendment in the nature of a substitute reported by the Committee on Interstate and Foreign Commerce.)

—Page 113, amend the items in the table of contents relating to title III, part A of such title, and section 301 to read as follows:

TITLE III—NATIONAL COMMISSION, STUDIES, ADMINISTRATIVE PROVISIONS, AND DEFINITIONS

PART A—NATIONAL COMMISSION AND STUDIES

Sec. 301. National Commission on Hospital Cost Containment.

Sec. 302. Taskforce on Consumer and Physician Incentives Towards Hospital Cost Containment.

Sec. 303. Evaluation of cost containment program.

Sec. 304. Study of cost containment alternatives.

Page 131, strike out line 11 and all that follows through page 132, line 7.

Page 143, insert after line 2 the following new subsection:

(d) For purposes of applying the mandatory percentage limits under subsection (a) as they relate—

(1) to average inpatient charges per admission of a hospital, there shall be excluded from the computation of the amount of inpatient charges in an accounting period (and in the base accounting period) an amount equal to the amount of SHUR expenses of the hospital attributable to inpatient hospital services for the respective accounting period, and

(2) to average reimbursement payable to a hospital by a cost payer per admission, there shall be excluded from the computation of the total amount of reimbursement with respect to the cost payer in an accounting period (and in the base accounting period) an amount equal to the product of (A) the amount of SHUR expenses of the hospital attributable to inpatient hospital services for the respective accounting period, and (B) the proportion of such expenses determined, in accordance with regulations of the Secretary, to be properly allocated to that cost payer.

Page 153, insert after line 16 the following new subsection:

(d) On the request of a hospital, filed in accordance with the second sentence of subsection (a), the Secretary shall make an addition to the mandatory percentage limit for an accounting period otherwise computed under this part to the extent to which the hospital can demonstrate that higher reimbursement or inpatient charges per admission than would otherwise be permitted are attributable to capital-related expenses (including depreciation and interest) related to capital expenditures which have been approved by the State health planning and development agency for the hospital on or before the date of the enactment of this Act.

Page 153, line 17, strike out "(d)" and insert in lieu thereof "(e)".

Page 168, strike out lines 1 through 4 and insert in lieu thereof the following:

TITLE III—NATIONAL COMMISSION, STUDIES, ADMINISTRATIVE PROVISIONS, AND DEFINITIONS

PART A—NATIONAL COMMISSION AND STUDIES

Page 171, insert after line 7 the following new sections:

TASKFORCE ON CONSUMER AND PHYSICIAN INCENTIVES TOWARDS HOSPITAL COST CONTAINMENT

SEC. 302. (a)(1) There is hereby established a Taskforce on Consumer and Physician Incentives Towards Hospital Cost Containment (hereinafter in this section referred to as the "Taskforce"), to be composed of seven members—

(A) three appointed by the President,

(B) two appointed by the Speaker of the House of Representatives, and

(C) two appointed by the President of the Senate.

Members of the Taskforce shall serve without additional compensation.

(2) The Taskforce shall carry out its activities in consultation with appropriate Federal agencies, private organizations, consumers, physicians, and other interested parties.

(b) The Taskforce shall study—

(1) the effect of different policies and procedures (including use of deductibles, coinsurance, and cost- or risk-sharing; tax deduction and exclusion from income provisions of the Internal Revenue Code of 1954; and prepaid health plans) relating to payment for hospital services on (A) consumer and physician awareness of the relative cost and quality of different hospital (and outpatient) services, (B) utilization of hospital services, and (C) the quality of hospital services provided, and

(2) the desirability of increasing the use of these and similar methods in federally funded and other health insurance programs,

and shall make recommendations to the Congress for appropriate changes in legislation. The Taskforce shall complete its study, and submit a report thereon to the appropriate committees of the Congress, not later than two years after the date members are first appointed to the Taskforce.

EVALUATION OF COST CONTAINMENT PROGRAM

SEC. 303. (a) The Secretary shall conduct a comprehensive evaluation (hereinafter in this section referred to as the "evaluation") of the cost controls established under this Act, focusing on—

(1) their efficiency, effectiveness, and fairness compared to alternative strategies for containing hospital costs, and

(2) modification of the present system of reimbursing hospitals under the medicare program on the basis of their retrospectively determined costs.

(b) The Secretary shall submit to the Congress not later than—

(1) six months after the date of the enactment of this Act, a formal plan for the evaluation,

(2) two years after the date of the enactment of this Act, an interim report on the evaluation, and

(3) December 31, 1983, a final report on the evaluation.

REPORT ON COST CONTAINMENT ALTERNATIVES

SEC. 304. (a) The Secretary shall prepare and submit to Congress, not later than one year after the date of the enactment of this Act, a report on additional or alternative measures (such as changes in (1) methods of third-party reimbursement for health costs, (2) physician reimbursement, (3) payment for drugs and medical supplies, (4) utilization of health facilities and services, and (5) capital expenditures) that can be taken to control costs in the health care industry, as well as the hospital part of the industry.

(b) The report shall include the results of a study, conducted by the Secretary in consultation with appropriate national organizations, on the activities, programs, operating costs, and reimbursement of children's hospitals (described in section 321(6)(E)). With such results, the Secretary shall include findings and recommendations, including a recommendation with respect to the use of a system for the prospective measurement of costs of such hospitals.

Page 179, line 4, insert after the period the following new sentence: "The Secretary, in carrying out the requirements of this subsection with respect to hospitals located in Hawaii or Alaska, shall make such adjustments as may be necessary to reflect the higher prices for classes of goods and services prevailing in each of those States.".

Page 183, insert after line 15 the following new subsection:

(d) The Taskforce on Consumer and Physician Incentives Towards Hospital Cost Containment shall be established under section 302 not earlier than October 1 of the year in which this Act is enacted and shall be terminated not later than March 1, 1985.

Page 187, insert after line 11 the following new subparagraph:

(E) is an institution (i) organized and operated for the care of children and youth, and (ii) a majority of the inpatients of which are eighteen years of age or younger,

Page 187, lines 12 and 15, strike out "(E)" and "(F)", respectively, and insert in lieu thereof "(F)" and "(G)", respectively.

Page 188, insert after line 17 the following new paragraph:

(1)(A) The term "hospital expenses", for purposes of title I, does not include any SHUR expenses (as defined in paragraph (4)).

Page 188, line 18, strike out "(1)" and insert in lieu thereof "(B)".

Page 191, insert after line 6 the following new paragraph:

(4) The term "SHUR expenses" means expenses incurred by a hospital only in order to comply with the requirements of sections 1861 (v)(1)(F) and 1902(a)(40) of the Social Security Act (relating to reporting under a system for hospital uniform reporting).

Page 191, line 7, strike out "(4)" and insert in lieu thereof "(5)".

Page 191, line 22, insert "or SHUR expenses" after "(2)(A)".

Page 193, line 5, insert "or SHUR expenses" after "(4)(A)".

Page 193, line 7, insert after the comma the following:

"except that the Secretary, in applying such percentage increase with respect to hospitals located in Hawaii or in Alaska, shall make such adjustment in such percentage increase as may be necessary to reflect any higher rate of increase in the prices of classes of goods and services in those States as compared with such rate of increase in the United States".

Page 194, strike out line 17 and all that follows through page 195, line 13 and insert in lieu thereof the following:

(1)(A) Subject to subparagraph (B), the term "percent change in area population" means, for an accounting period of a hospital, the higher of—

(i) the percentage change in the size of the population of the Standard Metropolitan Statistical Area (as determined by the Office of Management and Budget, if any, in which the hospital is located in the year preceding the year in which the accounting period ends over the size of the population of such Area in the second preceding year, or

(ii) the percentage change in the size of the population of the county or county equivalent area (as recognized by the Bureau of the Census) in which the hospital is located in the year preceding the year in which the accounting period ends over the size of the population of such county or area in the second preceding year,

except that in no case shall such percent change be less than zero.

(B) In the case of hospital located in a Standard Metropolitan Statistical Area, county, or county equivalent area which has a rate of increase in its population of persons sixty-five years of age or older for a year exceeding the rate of increase in the population of such persons in the United States for the year, the Secretary shall determine the amount of such difference and shall provide for an adjustment in the percent change in population of the Area or of the county or county equivalent area (for purposes of clauses (i) and (ii), respectively, of subparagraph (A)) for the accounting period of the hospital ending in the year in such a manner as takes into consideration the additional costs (based on national data for cost of hospital services per capita for such persons as opposed to persons of other ages) involved in caring for such persons to the extent of such excess increase rate.

H.R. 5297

By Mr. VENTO:

—Page 5, section 101, add the following new subsection:

"(e) No amount authorized to be appropriated by this Act may be used by the Commission to license or approve of the disposal of nuclear wastes in the ocean."

EXTENSIONS OF REMARKS

A COCA-COLA WINDFALL?

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 13, 1979

● Mr. MICHEL. Mr. Speaker, it is reported that the largest single donation ever made in the history of American philanthrophy has been made by retired Coca-Cola Chairman Robert W. Woodruff. Mr. Woodruff has donated 3 million shares of Coca-Cola stock to Atlanta's Emory University. The gift is valued at $100 million. Every time Coca-Cola stock goes up $1, the endowment increases by $3 million.

I would assume that during the years Coca-Cola has been manufactured there have been many summers of more than average heat. During these summers more Coca-Cola was probably sold.

Is this not a form of windfall profits? After all, it was nothing that the Coca-Cola stockholders did that made people buy more Coca-Cola during heat spells. It was no improvement in the product or reduction in the price. It could very well be argued that the company made its excess profits in those long hot summers through exploiting the thirst of millions.

I am surprised Jimmy Carter has never said that Coca-Cola has made windfall profits throughout the years, and that much of that profit should have been taxed so that a Government agency could be set up to devise new ways of dealing with the thirst problem.

Emory University can be thankful that Mr. Carter was not in power when Coke made its biggest profits.

At this time I would like to insert in the RECORD "Emory U. Gets Gift of

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.