SENATE—*Wednesday, December 3, 1980*

(Legislative day of Thursday, November 20, 1980)

The Senate met in executive session at 10 a.m., on the expiration of the recess, and was called to order by Hon. ROBERT MORGAN, a Senator from the State of North Carolina.

PRAYER

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

HANUKKAH

Let us pray.

O God, who at creation said "Let there be light, and there was light," shine upon us this day that we may be led by Thy wisdom and guided by Thy truth to that higher kingdom whose Builder and Maker is God. As, with candles and liturgy, the light of Hanukkah shines forth, we pray for inner greatness of spirit, for purity of heart, and clearness of vision, to match the challenge of this turbulent world.

Now, may the Lord make His face to shine upon us and be gracious unto us, may the Lord lift up His countenance upon us and give us peace. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., December 3, 1980.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable ROBERT MORGAN, a Senator from the State of North Carolina, to perform the duties of the Chair.

WARREN G. MAGNUSON,
President pro tempore.

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

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the majority leader is recognized.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, as in legislative session, I ask unanimous consent that the Journal of the proceedings be approved to date.

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

SIDNEY L. CHRISTIE FEDERAL BUILDING

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be discharged from further consideration of H.R. 1298 and that the Senate proceed to its immediate consideration.

The ACTING PRESIDENT pro tempore. As in legislative session, without objection, it is so ordered.

The clerk will state the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 1298) to designate the United States Post Office and Federal Building in Huntington, West Virginia, as the "Sidney L. Christie Federal Building".

The Senate proceeded to consider the bill.

Mr. ROBERT C. BYRD. Mr. President, I compliment my senior colleague (Mr. RANDOLPH) and the Committee on Environment and Public Works for preparing this legislation, which would designate the U.S. Post Office and Federal Building in Huntington, W. Va., as the "Sidney L. Christie Building." The late Sidney L. Christie was an eminent Federal district judge in West Virginia. He was appointed by the late President John F. Kennedy, at my request, to be a district judge and he performed in an admirable way. His work was highly applauded by the lawyers of my State and by the other Federal judges. I have never ceased to be tremendously proud to have recommended to President Kennedy the nomination of Judge Christie.

He was a circuit judge in the State of West Virginia prior to his appointment to the Federal district judgeship. He was a very close friend of mine. I would cite him to all those entering the legal profession as the kind of jurist which young lawyers and other judges would want to emulate. I am proud to call up this bill today.

Again, Mr. President, I commend my colleague (Mr. RANDOLPH) and personally thank him for this opportunity to have the Senate pay just tribute to one of the country's fine and truly dedicated Federal district judges.

UP AMENDMENT NO. 1814

(Purpose: To authorize continued child development assistance under the Appalachian Regional Development Act)

Mr. ROBERT C. BYRD. Mr. President, I send to the desk on behalf of Mr. RANDOLPH an amendment to H.R. 1298.

The ACTING PRESIDENT pro tempore. The clerk will state the amendment.

The assistant legislative clerk read as follows:

The Senator from West Virginia (Mr. ROBERT C. BYRD), on behalf of Mr. RANDOLPH, proposes an unprinted amendment numbered 1814.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 1, after line 8, insert the following:

SEC. 2. The seventh sentence of section 202 (c) of the Appalachian Regional Development Act of 1965 is amended by striking everything after "except" and through "child development demonstrations" and inserting in lieu thereof "that child development demonstrations assisted under this section during fiscal year 1979 may, upon State request, be approved under section 303 of this Act for continued support beyond that period".

● Mr. RANDOLPH. Mr. President, I offer this amendment to the Appalachian Regional Development Act of 1965 to avoid the interruption of needed services to more than 12,000 young children and their families in Appalachia. This fiscal year, over 30 programs in 7 States of the region will come to the end of their eligibility for Appalachian Regional Commission assistance without this amendment. Those programs provide a wide range of child health, educational, and child care benefits for poor and low-income working families whose jobs often depend on the continued availability of such help.

The amendment would permit continued support for necessary programs on a case-by-case basis at the discretion of the Appalachian Governors. It does not affect appropriation levels. Both the House and Senate approved the language of the amendment as a part of earlier bills in this session authorizing the continuation of the Appalachian Regional Commission. The amendment is needed at this time because the full Commission reauthorization bill did not finally obtain conference committee approval.●

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment (UP No. 1814) was agreed to.

● Mr. RANDOLPH. Mr. President, I support H.R. 1298, a bill to designate the U.S. Post Office and Federal Building in Huntington, W. Va., as the "Sidney L. Christie Federal Building."

Sidney Christie was a distinguished, respected judge who served in the U.S. District Court for the Northern and Southern Districts of West Virginia. He was dedicated to his work and displayed a strong sense of justice. A large part of his life was spent as a valuable and productive public servant. He also practiced law and demonstrated many times his impressive abilities in that profession.

Because he served with distinction as a judge in Huntington and because of his record as a citizen, as well as a judge, it is proper to name the U.S. Post Office and Federal Building there in his honor.●

The ACTING PRESIDENT pro tempore. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

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

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

The bill was read the third time and passed.

Mr. ROBERT C. BYRD. I move to reconsider the vote by which the bill passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I yield to the Senator from Wisconsin (Mr. PROXMIRE) such time as he may need.

Mr. PROXMIRE. Mr. President, I thank the majority leader.

THIRTY-TWO YEARS WITHOUT ACTION ON THE GENOCIDE TREATY

Mr. PROXMIRE. Mr. President, on December 11, 1948, 32 years ago this month, the United Nations General Assembly formally adopted the Human Rights Convention on Genocide.

Thirty-two years later the United States has still not ratified this critically important document.

The treaty has come before the Senate Foreign Relations Committee four times since 1948.

Four times since 1948, it has been reported to the floor, but no action has been taken on the floor.

The treaty condemns the barbarity of genocide, which is the elimination of a national, ethnic, religious or racial group of people. It is that simple.

Virtually every major organization in the United States has endorsed the treaty, including some that were once steadfastly against it. In 1976, the American Bar Association reversed its longstanding opposition to the Genocide Convention. Soon thereafter, the Department of Defense endorsed the treaty, thus greatly reducing the credibility of the arguments claiming that it would undermine the international position of the United States.

There exists no plausible argument against the treaty.

The fact that we are the only major industrialized nation that has not ratified the treaty has damaged the effectiveness of American foreign policy. When we attempted to end the genocide that transpired during the Nigerian War, our efforts were unsuccessful. This is partially due to the fact that we have never formally expressed our repugnance at the crime of genocide.

The Soviets have refused to accede to our demands to discuss their alleged human rights violations on the grounds that we ourselves do not support human rights because we have not ratified the Genocide Convention.

The time has come to ratify the treaty. We must put aside our minor differences with the other nations of the world and resolve with them that the barbarity of genocide can never be allowed to occur again.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I have no further use for time. I yield to the distinguished minority leader if he has need for the time.

Mr. BAKER. Mr. President, I thank the majority leader. I might advise the majority leader at this time that the Senator from Oklahoma (Mr. BELLMON) has indicated to me that he has no need for his special order for this morning. We are willing for the majority leader to yield that back if he wishes.

I have no need for additional time, I believe, but I shall yield now, if I may, to the distinguished Senator from North Dakota such portion of my time under the standing order as he may require.

GEN. DAVID C. JONES, CHAIRMAN, JOINT CHIEFS OF STAFF

Mr. YOUNG. Mr. President, in these last days of my service in the U.S. Senate, I want to take this opportunity to make a few well-deserved comments about the highest ranking officer in our Armed Forces, Gen. David C. Jones, Chairman of the Joint Chiefs of Staff.

We in North Dakota are especially proud of General Jones for his having attained the highest rank in our Armed Forces.

Although General Jones was born in Aberdeen, S. Dak., we in North Dakota are proud to claim him. He grew up in Minot, N. Dak., where he attended high school and where he began college. He also attended the University of North Dakota prior to his enlisting as a cadet in what was then called the Army Air Corps in 1942. Since then, General Jones' career has been wide ranging in professional assignments and has spanned the globe, as well. He has served with distinction in Germany, in Korea, and in South Vietnam.

He saw combat with a bombardment squadron during the Korean war; in fact, he logged over 300 hours in missions over North Korea. General Jones also served with great distinction in Vietnam where he first was Deputy Commander for Operations and later Vice Commander of the 7th Air Force at Tan Son Nhut Air Base. His tours of duty in West Germany provided him with a deep and valuable understanding of the problems of our NATO forces.

News stories about General Jones indicate that although in his current assignment he is mostly deskbound, he retains his love of flying and invariably pilots whatever Air Force plane he uses to carry him on his many tours inspecting our farflung military installations. He has always had a reputation of great dedication to his job and to his profession. In his everyday duties at the Pentagon, his office day begins at 7 a.m. and invariably runs until 8 p.m. When there are problems involving our military anywhere in the world he is one who stays on duty all day and all night.

His dedication to his work is borne out by his grasp of all phases of the widespread, highly complex and far-flung military establishment which he has demonstrated over and over again to those of us serving on the Senate Subcommittee on Defense Appropriations. He is always an excellent witness—direct, forthright and very knowledgeable. He is the type of witness and the kind of military leader who inspires confidence.

General Jones is one of the most able and qualified Chairmen of the Joint Chiefs of Staff we have ever had. I am very pleased that his appointment as Chairman of the Joint Chiefs of Staff has coincided with at least a part of my years as ranking minority member of the Senate Appropriations Committee and its Defense Subcommittee. It has been a pleasure and an honor working with him.

Mr. President, on a more personal note, this past summer the General's son, David C. Jones, Jr., was a summer intern on my staff. It was a real pleasure having this young man on my staff. Everyone enjoyed working with him. He was one of the most willing, personable and ambitious young interns I ever had. This speaks well for the type of training he received in his home.

Mr. President, although I will be leaving the Senate at the end of this session, I leave feeling confident in the future of our Armed Forces as long as they are manned and commanded by officers of the caliber and dedication of David C. Jones.

RECOGNITION OF MINORITY LEADER

Mr. BAKER addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Tennessee.

Mr. BAKER. Mr. President, I thank the Chair.

I have no need for the remainder of my time under the standing order and I am prepared to yield it to the majority leader if he has any need for it, or otherwise to yield it back.

Mr. ROBERT C. BYRD. Mr. President, I have no need for the time of the minority leader.

Mr. BAKER. Mr. President, then I yield back my remaining time under the standing order.

ORDER TO VACATE TIME ALLOTTED TO SENATOR BELLMON

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time allotted to Mr. BELLMON under the order previously cntered be vacated.

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

NOMINATION OF STEPHEN G. BREYER TO THE FIRST CIRCUIT COURT OF APPEALS

Mr. ROBERT C. BYRD. Mr. President, the Senate is in executive session. What is the pending question before the Senate just now?

The ACTING PRESIDENT pro tempore. The question is on the nomination of Stephen G. Breyer.

CLOTURE MOTION

Mr. ROBERT C. BYRD. Mr. President, I call up a cloture motion.

The ACTING PRESIDENT pro tempore. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant lgeislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the nomination of Stephen G. Breyer to be United States circuit judge for the First Circuit Court of Appeals.

Joe Biden, Patrick Leahy, Max Baucus, Paul Sarbanes, Dale Bumpers, Birch Bayh, Donald Riegle, Alan Cranston, John Culver, David Pryor, William Proxmire, Thomas Eagleton, Robert C. Byrd, Harrison Williams, Claiborne Pell, and Gary Hart.

Mr. ROBERT C. BYRD. Mr. President, it is my intention to go back to legislative session, and Senators will be prepared, I believe, to call up the conference report on the State-Justice appropriation bill.

Mr. President, it is said that sleep knits up the raveled sleeve of care. I wonder if the distinguished Senator from New Hampshire, having had a good night of restful sleep and having drifted away to pleasant dreams, may have changed his mind about a time agreement on the debate on the nomination.

So, just to sort of test the waters to see if slumber has knitted up the raveled sleeve of care, I ask unanimous consent that the time for debate on the nomination be limited to 4 hours, with 3 hours to be under the control of the distinguished Senator from New Hampshire, and 1 hour under the control of the Senator from Massachusetts (Mr. KENNEDY).

Mr. HUMPHREY. Mr. President, reserving the right to object, I would have to observe that I think the distinguished majority leader has already guessed my answer, the evidence being his having filed another cloture petition.

Regretfully, I must object.

Mr. ROBERT C. BYRD. That was just insurance.

Mr. HUMPHREY. I must object, Mr. President.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. ROBERT C. BYRD. Mr. President, if neither Mr. KENNEDY nor Mr. HUMPHREY, nor any other Senators, wish to address any further remarks to the nomination, I ask unanimous consent that the Senate return to legislative session.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. KENNEDY. Mr. President, reserving the right to object, could I hear that again?

Mr. ROBERT C. BYRD. Yes.

My request was, if no Senator wished to seek recognition at this time, that the Senate return to legislative session because the conference report on the State-Justice bill is awaiting action.

Mr. KENNEDY. Reserving the right to object, and I would not object, would the Senator withhold that for, say, 4 minutes?

Mr. ROBERT C. BYRD. Yes.

Mr. President, I withhold the request and I ask unanimous consent that I may yield to Mr. KENNEDY for the purpose of his addressing his remarks to the Senate without losing my right to the floor.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. HUMPHREY. Reserving the right to object, Mr. President, I would consent if the agreement could be a request——

Mr. KENNEDY. I cannot hear the Senator.

Mr. HUMPHREY. Mr. President, reserving the right to object, I would not object if the agreement were modified to insure that I might have the floor for not exceeding 5 minutes following the Senator from Massachusetts.

Mr. ROBERT C. BYRD. Yes. I add that to my request, Mr. President.

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

Mr. KENNEDY. Mr. President, I ask unanimous consent that my remarks be considered as a continuation of my speech on yesterday, so far as the rules are concerned.

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

Mr. KENNEDY. Mr. President, I was on the floor for just about the whole debate yesterday on the question of Mr. Breyer's nomination. There was a discussion of the nomination and sundry events not really related to Mr. Breyer for a period of 5 or 6 hours. During that time, when there was a discussion about Mr. Breyer, I believe it is important, as we make these time requests in order that the Senate come to some resolution of this nomination, that we recognize that no questions have been raised about the qualifications of Mr. Breyer to serve on the court of appeals; that of the two Senators who have spoken in opposition to the Senate's consideration of Mr. Breyer, one objects because the nomination of just one individual was reported favorably, virtually unanimously, by the Judiciary Committee, and the other Senator objects because the names of 17 other nominees were not reported to the Senate for consideration.

I appreciate the request of the majority leader to obtain reasonable time for permitting the Senate to vote on this important matter, and I express my appreciation to him. I hope we can proceed to the nomination, in fairness to the nominee and in fairness to the Senate itself, at some appropriate time, with due notice, so that the Members of the Senate will be permitted to vote on this nomination the way we vote on others, and that is by a majority vote.

I have nothing further to say. I reserve the remainder of my time that was given to me by the majority leader.

UNANIMOUS-CONSENT AGREEMENTS—CLOTURE MOTIONS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time during the 1 hour under the cloture rule on tomorrow be equally divided between Mr. KENNEDY and Mr. HUMPHREY.

The PRESIDING OFFICER (Mr. SASSER). Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. There will be a cloture vote today. So, as in legislative session, I ask unanimous consent that the time during the 1 hour under the rule today, just prior to the establishment of a quorum and the cloture vote, be equally divided between Mr. KENNEDY and the minority leader or his designee.

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

Mr. ROBERT C. BYRD. Mr. President, does the distinguished Senator from New Hampshire wish to take 5 minutes at this point, as he indicated earlier?

Mr. HUMPHREY. No.

Mr. ROBERT C. BYRD. Does the Senator from Massachusetts wish any further time before we go into legislative session?

Mr. KENNEDY. No.

LEGISLATIVE SESSION

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

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

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, the managers of the conference report on the State-Justice appropriation bill are on their way to the Chamber. Therefore, I ask unanimous consent that at this time there be a period for the transaction of routine morning business, not to extend beyond 15 minutes, and that Senators may speak therein.

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

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

THE ELECTION AND NATIONAL ECONOMIC POLICY

Mr. ROBERT C. BYRD. Mr. President, on November 25 I had the pleasure of

addressing the annual conference of the Institute for Socioeconomic Studies in New York City.

I shared the podium that evening with Mr. Douglas Fraser, the president of the United Auto Workers. Mr. Fraser offered an interesting analysis of the 1980 elections. He also argued that the American auto industry needs a catchup period to retool and develop new models to compete with Japanese imports.

Mr. Fraser's arguments are thought-provoking. I ask unanimous consent that his speech be inserted in full in the RECORD. I also ask unanimous consent that my speech urging President-elect Reagan to abandon the fiscal radicalism of the Roth/Kemp tax cut and to develop a fair, effective incomes policy, be inserted in full in the RECORD.

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

REMARKS BY DOUGLAS FRASER

It's a great pleasure for me to be with you tonight, and I want to thank Dr. Greene and the Institute for inviting me.

I'm also pleased to share this platform with Senator Byrd.

As a Democrat, I feel a sense of regret that he will carry the title "Majority Leader" only until the new Congress convenes. We'll need his skill and legislative ability even more during this period in the minority in the Senate.

I'd like to talk with you tonight about politics and the economy. Given the state of both those subjects, I'm reluctant to stand before you offering advice.

Events in recent weeks make it clear that, at best, giving advice is a precarious business.

Before I left high school to work as a metal finisher in a De Soto plant, we often had to write essays.

I'm reminded of one pupil who wrote on the life of Socrates. He said: "Socrates was a man who went around town giving everybody free advice—so they poisoned him."

Since we've already had dinner, I suppose I'm safe from that possibility, so I'd like to go ahead and spell out what's on my mind.

Two weeks ago tonight, the American people chose Ronald Reagan to be President of the United States.

The Senate lost one after another of the best Democrats we had, as Birch Bayh and John Culver and George McGovern and others went down to defeat.

For those of us who view ourselves as progressive Democrats, the carnage was near total. Losing the White House to a conservative Republican is an obvious setback.

But even worse is the loss of the Senate to the Republicans.

During the campaign, the UAW published a flyer that asked our members to imagine just what it would be like to have a Republican Senate.

Imagine, we asked, what hope the labor movement would have of getting labor law reform through the Senate labor committee with Orrin Hatch chairing it.

Imagine, we asked, the kind of judges that could be confirmed with Strom Thurmond chairing Judiciary.

Well, nightmare for us has become reality—come January, we won't have to imagine these developments. We'll be experiencing them instead.

And the implications, for the labor movement and for progressives generally, are profound.

We must face harsh new realities.

Rather than marching forward toward the achievement of our broad unfinished agenda of social and economic justice, we will be fortunate just to hold the line.

And, on some issues, we will no doubt be forced to retreat.

The UAW for many years has led the fight for national health insurance. Every other major industrial democracy in the world has some form of national health insurance but the United States.

With health costs skyrocketing and more than 26 million Americans without any form of health insurance at all, the necessity of such a program seems clear.

It's also clear that a meaningful national health insurance program has about as much chance of enactment as I do of becoming the starting quarterback of the Detroit Lions.

The same is true of many other programs in which liberal Democrats believe . . . welfare reform, full employment programs, tax reform, plant closing legislation, environmental protection, and many others.

The opportunities to enact meaningful and progressive legislation in such areas in the next two years will be nil.

Instead, we will be forced to fight a holding action. Workers, minorities, consumer advocates, the women's movement, environmentalists, family farmers, senior citizens and others will have to circle the wagons in the months ahead.

The political right wasted little time on self-congratulation. In the last two weeks, they have already begun to draw a bead on agencies and programs to which they are hostile.

Despite a virtual epidemic of disease caused by occupational hazards in certain industries, the new right is targeting OSHA for dismantling.

Despite the massive suffering being experienced by the more than 8 million Americans who are unemployed today, the new right has its sights on the unemployment compensation system.

Despite the worsening economic position of workers receiving the minimum wage, the right will seek a sub-minimum wage that would result in companies laying off fathers and mothers and hiring their sons and daughters.

To acknowledge the difficulty we find ourselves in today is not to legitimatize those so anxious to bury the progressive agenda in this country.

Instead, it's the first step toward what must be a long and potentially agonizing reappraisal the Democratic Party must make. Rather than folding up our tents and silently stealing away, I believe there are a number of things we can do to regain the offensive ultimately.

When the Republicans suffered the smashing defeat in 1964, key leaders met to analyze why they had failed and where they should move strategically in order to come back.

They recognized that there was no secret conservative vote out there waiting for a choice, not an echo.

And, in a variety of ways, they set in motion strategic changes in approach that began to pay off just four years later and still are being felt today.

I believe Democrats must engage in a similar re-examination. During most of my lifetime, the staunch conservatives seldom came forward with new ideas.

But today, the right-wing is not only out-organizing and out-spending us—it's out-thinking us as well.

To survive and prosper, the Democrats must again become the party of ideas. This may require a willingness to reexamine—and if necessary—update and discard some of the standard notions we've held for years.

To the extent, for example, that progressives are viewed as advocates merely of *larger* government, rather than *better* government, we will be on the defensive.

I believe that only government can solve many of the problems we face. But we need to redouble our efforts to insure first that government becomes more effective and second to help the public perceive the positive results of government as it impacts on their own lives.

This will be a difficult task in the current environment. There will inevitably be an onslaught against government regulation in the months ahead.

Our effort must be to prevent certain valid frustrations over government's failings to be translated into wholesale rejection of its necessary role.

The same voter who might tell you he wants to get government off his back probably also would like to see more police on the beat in his neighborhood.

He may rail against Washington, but he's upset that his favorite fishing stream has turned brown with industrial pollution. He may think the bureaucracy has grown bloated, but he also looks forward to his Social Security check each month.

Another effort progressive Democrats must make in the months ahead is to change the political process under which we operate. Many of the so-called reforms of that process in retrospect have harmed the Party.

The primary process, for example, has helped to erode our political parties. Twelve years ago there were 15 primaries. In 1980, there were 37.

We'll never return to the era of smoke-filled rooms and Boss Tweed. But we do need to return to those who make up the political party a meaningful role in deciding who will carry their party's banner in a Presidential election.

The old system had faults, but it also gave us Roosevelt, Truman, Stevenson, Kennedy, Johnson and Humphrey.

In addition to acting to reduce the number of primaries I believe we must redouble efforts to make the parties strong, ongoing, issue-oriented institutions.

Today, candidates rather than parties are the chief focus of our political system. Rather than voting for a coherent, thoroughly debated program, voters often must choose among a gaggle of individual candidates—each of whom campaigns on the politics of personality rather than principles.

The erosion of our political parties has resulted in much of their influence being replaced by many competing centers of power—informal hierarchies based on single issues, local or regional forces, religion and personal followings.

This has led to the ascendancy of television, which has reaped incredible political power as the primary unifier in our political system.

The UAW is committed to working with the other forces concerned about the failure of the political process in the months ahead. While that goes on, we must also examine what the smashing defeat Democrats suffered means to us.

The defeat has led to an outpouring of analysis by conservative columnists and commentators to the effect that the country has shifted radically to the right and has rejected liberalism, big government and social programs.

I've always been wary of the "sweeping mandate" school of analysis, no matter who wins the election. And I'm unwilling to ac-

cept the notion that what happened Nov. 4 was a radical shift right by the American people.

Instead, I believe voters, including some of my own UAW members, voted their pocketbooks. Traditionally, as Democrats, we were positioned to run against Herbert Hoover . . . to be on the attack when unemployment skyrocketed and inflation surged.

In 1980, Ronald Reagan had issues that are normally those deployed most effectively by the Democratic Party to carry union members, ethnic voters, urban residents and other elements of the old New Deal coalition.

I said on numerous occasions during this campaign that there was a direct correlation between rising unemployment and growing support for Gov. Reagan.

With unemployment running at 7.6 percent, more than eight million Americans were out of work on election day.

Voters also registered strong frustration over inflation which ranged from 12 to 18 percent during the course of the campaign.

When actions were taken to wring inflation out of the economy by tightening the money supply and drastically raising interest rates, they confronted recession and inflation simultaneously.

What this points to, I believe, is an election in which voters rejected President Carter because they believed he could not handle America's economic problems.

Certainly, there were other issues, such as the hostages, that added to their perception that, at home and abroad, we were weak and out of control.

Voters in effect said on election day that their fear of the known under President Carter outweighed their fear of the unknown under Gov. Reagan.

In such a context, it seems quite clear that this is hardly a mandate for a hard turn to the right.

The country club talk we're being subjected to today tells us that deep in America's soul compassion has vanished. I reject that view.

I believe the American people do want to see the country put back to work and their paychecks no longer eroded by inflation.

They concluded Carter was unable to accomplish those goals and decided Reagan could.

I'm not sold on the pollsters, who increasingly have become the priesthood of American politics. Yet, despite the defrocking they experienced in the aftermath of the Reagan landslide, some of their results are interesting.

The New York Times-CBS News Poll of 12,782 voters indicated, for example, that only 11 percent of those voting for Reagan said they did so because "he's a real conservative."

The Times-CBS poll reached the overall conclusion that those picking Reagan were motivated more by dissatisfaction with President Carter than by any serious ideological commitment to Reagan's views.

Carrying this a step further, we can see that the rejection of Mr. Carter played a major role in what occurred in the Senate. Clearly, the hit squads of the new right—the Moral Majority and the conservative PAC's—had employed vicious but effective tactics early on to soften up the liberals seeking re-election.

But looking at the outcome, in virtually every case, the liberal Senators appear otherwise to have been able to survive the Reagan tide.

Senator Church lost by only one percentage point in Idaho, while Reagan won there by 37 percent.

Gaylord Nelson in Wisconsin lost 51 percent to 49 percent while Reagan won solidly there.

Birch Bayh in Indiana lost by 8 points, while Carter lost by 18 there.

Again, I believe those results call into doubt the instand judgments being made that citizens are ready to abandon social programs and activist government.

Their clear dissatisfaction with our economic crisis should be a mandate instead for governmental action that will lower unemployment and inflation.

That's a task that won't be done easily.

The success or failure of the Reagan Administration will turn on these basic economic issues, rather than whether or not we have a 55 mile per hour speed limit or what we do with Taiwan.

With close to 200,000 autoworkers in the Big 3 out of work and thousands more in supplier companies, the UAW urges President Reagan to take actions that will result in putting our members back to work.

We sent the President-elect a telegram the day after his victory pledging a good faith effort to work with him.

The problems he will face are enormous. They require cooperative and constructive approaches by the labor movement and the business community.

For Mr. Reagan to move the country forward, it will be necessary for him to reach out beyond the political right.

During the campaign, he did this to some extent and the moderation of previous positions broadened his appeal to voters. During his presidency, he must be president of all the people if he is to succeed.

Let's turn to several of the areas which the Reagan Administration must address promptly.

Most pressing from our point of view is the crisis in the auto industry—an industry that has a profound impact on America's overall economy. Workers continue to experience massive layoffs and the automakers continue to lose literally billions of dollars.

Foreign imports have played a major role in the auto crisis, as have rising energy prices and shortages and recessionary policies such as rising interest rates.

Last week the International Trade Commission handed us a major setback when it ruled that imports were not the greatest single cause of injury to the domestic industry.

I'm hopeful President Carter in the weeks remaining will make good his pledge to seek a voluntary agreement to limit Japanese imports temporarily. Should that not occur, the issue of the exploitation of our market by the Japanese automakers must become one of the first that the Reagan Administration tackles.

We in the UAW have long been advocates of free trade. This is a principle which we have not abandoned.

We are fully aware of the benefits to all of humanity that expanded world commerce can bring. But we always thought free trade must be fair trade.

That has not been the case with respect to U.S.-Japanese trade, particularly in autos and trucks, in recent years.

In the period after 1950, Japan's auto industry was "targeted"—as a matter of that nation's public policy—for vigorous, "hothouse" style growth.

From vehicle production of essentially zero, their industry grew remarkably over the next 30 years, reaching a production level this year of 12 million cars and trucks.

Throughout the period of early growth, credit and other resources were consciously allocated to the fledgling industry.

The Japanese domestic industry and market were strictly protected; that meant vehicles of North American manufacture were for years and years kept out. Yet the industry being developed was never intended to be restricted to serving the Japanese domestic market.

Had they been as shortsighted as U.S. businessmen—or our government—the Japanese never would have persisted. After this lengthy period of careful nurturing, the Japanese industry emerged as a formidable competitor.

When in the early spring of 1979, gas lines formed and gas prices began to skyrocket in the wake of revolution in Iran and OPEC increases, the domestic producers were not equipped to handle the abrupt shift in the U.S. car and truck market.

The Japanese were poised and ready to capitalize on this sudden advantage. Auto plants in Japan worked heavy overtime to build cars for export to the U.S. market while countless thousands of auto workers and workers in related supplier industries in this country were forced into the unemployment lines.

From 4 percent in 1970, the Japanese share of the total U.S. vehicle market skyrocketed to almost 23 percent. That growth in market share has been nothing short of explosive since the spring of 1979.

This has not been an orderly, phased increase achieved without major disruption or injury to the domestic industry and its workers—far from it.

Skyrocketing imports occurred at precisely the same time as plummeting domestic production. The case for injury, in our view, could not have been stronger.

It was precisely to deal with cases such as this that the International Trade Commission was created, in full accordance with GATT and other provisions of international law.

To seek temporary import restraints, as we have done, is not "protectionism" in the 1930's "begger-thy-neighbor" unilateral style. The distinction could not be clearer, yet it appears to be widely misunderstood.

Our goal has always been a negotiated settlement that would be based on voluntary restraint in the short term and an agreement for those who sell high volume in our market to produce here as well.

We chose to go to the ITC in the absence of such a settlement.

All we want is temporary import restraint, to give the industry sufficient breathing room to retool to meet the competitive challenge.

We greatly fear that the alternative—which we are witnessing—is permanent damage. We want this relief, not to assist the companies, but to preserve the jobs of our members.

Indeed, we have long felt that the appropriate solution, given that the Japanese have attained such a large share of the U.S. market, is direct investment by the Japanese companies in productive facilities over here.

It is inconceivable that a similar tribunal in Japan or any other industrialized nation would have ruled as the ITC has done.

Indeed, countries of Europe and other parts of the world are moving effectively to limit Japanese import penetration into their home market, to protect domestic employment.

As the only "wide-open" vehicle market in the world, all these export-bound Japanese cars and trucks will increasingly be diverted to us. That means unemployment is being exported to us.

Other countries impose tough local content requirements on their auto industries.

Mexico is just one example. Because of tough local content laws, both Chrysler and Ford have altered plans and are developing

vital new four cylinder engine capacity in Mexico—while thousands of U.S. auto workers are unemployed.

Mexico is a developing country that wants badly to industrialize—but what about auto workers in *our* country and *our* jobs?

I do not believe it is "protectionist" to feel that our government has a responsibility to defend U.S. workers against actions by other governments, or injurious trade practices of other nations" industries, which deprive us of our jobs.

Despite the bitter ITC setback, we are more convinced than ever that the course we adopted is necessary and correct. We have not abandoned or repudiated our principles; but auto workers cannot be expected to sacrifice their livelihoods on the altar of an abstraction.

Commitment to free trade never embodies passive acceptance of massive dislocation. We cannot accept that workers should become the victims of industry's shortsightedness or government's failure and unwillingness to plan.

What lies ahead is some pretty rough sledding for our union and its members. Even if the domestic industry recovers, countless thousands of workers may not regain their jobs.

The very steps which the industry will be taking to restore its profits and meet the Japanese challenge carry grave risk of further permanent job loss in the years ahead.

The "world car" is widely predicted to lead to foreign sourcing on a massive scale. Growing international specialization and trade in auto parts can also boost employment in some segments of the domestic supplier industry, if that trade is truly a two-way street.

But that may provide very little comfort to those supplier workers whose job will be lost.

New technology is slated for introduction into the auto industry at a rapid rate. Productivity growth in auto has always far outstripped the rest of U.S. manufacturing.

But historically scales have risen even faster. Coupled with improvements in paid time off which our union has been able to win, this has cushioned the impact of rising productivity on employment in the years past.

Unless positive steps are taken, I fear that the future strides in productivity will entail massive job loss in the years ahead.

In the short run, there is little cause for optimism and that we will see a quick or strong recovery from the current deep and long-lasting slump.

Even GM's Chairman Tom Murphy, always the optimist, predicts total U.S. vehicle sales of only 13 million cars and trucks in the current model year, 1981.

That's a paltry 8.6% gain compared with just under 12 million for anemic model year 1980. In record model year 1978, 15.3 million vehicles were sold.

Even this disappointing recovery runs a grave risk of being aborted. The prime interest rate, which bottomed out at 10¾% in late July—hard to believe that was a bottom—has already jumped sharply higher in recent months.

Presently, the prime is 15½%. For a prospective new car buyer, this translates into finance charges in the neighborhood of 18%.

Not only car sales, but also housing and durable manufactured goods threaten to slide right back into the abyss.

Mortgage rates have already begun to climb back up, while "Fannie Mae" has just thrown another damper on the housing market with its newly imposed mortgage "call" requirements.

The Federal Reserve seems determined to continue pursuing its tight-money policy, in a misguided attempt to wring inflation out of the economy by causing even more unemployment.

Such a policy helped trigger the recession; it now threatens to abort the current weak recovery as the Fed seems determined to settle for nothing less than a "double dip."

I am convinced that it was the imposition of this and other kinds of "Republican" policies during the term of a Democratic administration that cost Jimmy Carter a substantial percentage of industrial workers' votes.

Our nation's economic and social problems—which the new congress and administration will have to face—are formidable.

The real income of a typical American is considerably lower today than it was a decade ago. Raging inflation threatens to erode that standard of living even further; while the only inflation remedy politicians seem willing to impose is to create massive unemployment, a cure which surely is far worse than the disease.

Higher productivity is widely viewed as the only way out of this dilemma, but instead of increasing, it has been on the decline.

The quality of life in many of our central cities is also on the decline, as high wage manufacturing jobs disappear and youth unemployment—especially among minorities—continues to rise.

Vital public services, already pared to the bone, face further cutback as the tax base continues to erode.

Our basic industries are in crisis. Our manufacturing competence relative to other nations deteriorates unabated.

We save less, invest less and devote a smaller share of our nation's resources to civilian research and development than most other industrialized nations, and we have fallen down in these respects even relative to our own past performance.

In regard to energy, we lack a coherent national policy and appear to have no clear sense of where to go. In spite of the fact that, except for Canada, we are more nearly self-sufficient in energy resources than any other industrialized capitalist country, we are the most vulnerable to external energy price "shocks," and are the only nation to suffer actual shortages at the pumps.

The real tests for the Reagan Administration lay in grappling successfully with these crucial issues.

To the extent the new President pursues solutions that benefit the few of wealth and power, he will fail.

To the extent he broadens his scope beyond the old, shopworn conservative cliches, he has hope of succeeding.

For trade unionists and progressives generally, the next four years will be a time of trial.

At the same time we advocate the revitalization of our economy, we must also turn inward and begin the revitalization of the Democratic Party and our movement.

I stand before you tonight knowing it *can* be done. Unfortunately, I don't know if it *will* be done.

SPEECH BY SENATOR ROBERT C. BYRD

Ladies and Gentlemen: I am pleased to be able to join you this evening. Since its inception in 1974, the Institute for Socioeconomic Studies has provided a constructive forum for the exchange of ideas on the pressing issues of our day. Ronald Reagan's victory and the shift in the Senate to Republican control are topics which invite considerable discussion. I appreciate the opportunity to share my thoughts with you on the significance of the recent election, particularly as it affects national economic policy.

I do not believe the 1980 election was an ideological mandate to move this country away from the basic principles of the Democratic Party. To the contrary, candidate Reagan frequently cited the visions of Franklin Roosevelt and John Kennedy. He promised to implement policies which would foster full employment, economic growth, and social justice.

He was elected, and twelve Democratic seats were lost in the Senate, in a referendum on frustration. Democrats lost because they belonged to a party which was overwhelmingly out-spent and out-organized. They belonged to a party which appeared fractionalized and bereft of solutions. They ran for re-election during a time when there were no easy answers nor quick solutions to the long-term problems of energy and inflation and the loss of wealth to OPEC. They ran against a Republican party which marched lock-step on the issues—from their Presidential candidate to their local officials. They ran against double-digit inflation, 7.5 percent unemployment, a 14 percent prime rate, and stagnant real income.

The Republicans offered the American people promises of massive tax cuts and controlled inflation.

It is fair to say that, to some extent, being in control of the government restricted options available to Democrats. We could not responsibly promise a 30 percent cut in individual taxes, massive increases in defense spending, and a balanced budget, because such promises cannot be fulfilled simultaneously.

While incumbency generally is an advantage in an election, I believe that in 1980 it was better to have been a challenger, preferably without any legislative record.

President-elect Reagan and the Republican majority in the Senate will face many challenges. In the energy field they must continue to build on the achievements of the 95th and 96th Congresses in moving our nation toward energy independence. Our synfuels program must be implemented. Our conservation and renewable resource programs must progress. We must improve our transportation infrastructure to facilitate a significant increase in our coal exports.

Shocks caused by the 1974 and 1979 OPEC price increases are still evident in our economy. In 1979 energy prices added nearly four percentage points to the CPI. Wage settlements, contracts, and government programs linked to the CPI locked these increases into the cost structure of the economy.

Energy independence and security is closely linked to the projection of a credible foreign policy. Our foreign policy must be based on the dual goals of strengthening our defense capabilities, while at the same time continuing the SALT process with the Soviets.

We must negotiate from a position of strength and confidence—but we must continue to negotiate.

No challenge looms larger than that of arresting the disillusionment of the American public with our political system. Slightly less than 53 percent of the eligible electorate voted in this election, continuing a frightening downward trend from a high of 64 percent in 1960. Because of the scope of their promises the challenge to the Republicans to restore faith in our political process looms that much larger.

In no area have the hopes of the American people been raised to a higher level than in the area of the economy. Most Americans will be watching the economy for indications of the new administration's ability to govern. Therefore, their success in fulfilling their ambitious promises in this area is particularly crucial.

Senate Democrats will cooperate with the new President and his administration in attempting to achieve the general economic goals he outlined in his campaign. However, some of his specific recommendations may require rethinking in the post-election calm.

On September 9, in his major campaign address on economic policy, Governor Reagan presented the following outline of his economic agenda:

He promised to reduce government spending by 7 percent to 10 percent by 1984 or 1985.

He promised to enact a 30 percent cut in individual taxes over three years, dramatically revamp the depreciation schedule, and index personal tax rates once the 30 percent individual rates are in place.

He promised to support a stable and predictable monetary policy.

In the same speech, Candidate Reagan promised that "a national economic policy will be established, and we will begin to implement it, within 90 days."

Before March 20, therefore, we can expect to see the specifics of President-elect Reagan's economic program.

Let us briefly examine the condition of the economy which the incoming President will inherit. Preliminary estimates indicate that the Gross National Product grew at a one percent annual rate in the third quarter of this year, compared with a decrease of 9.6 percent in the second quarter.

With the lifting of credit controls, consumer spending paced the upswing in the third quarter, much as it has contributed to the depth of the downswing in the second quarter.

Unemployment seems to be stuck around 7.5 percent, inching up to 7.6 percent in October.

The index of leading economic indicators rose 2.4 percent in September for the fourth consecutive monthly increase. Industrial production increased 1.0 percent, but the index of industrial production is still 4.4 percent below what it was this time last year.

Moreover, the recent significant rise in interest rates casts a shadow over the durability of the recovery.

Retail sales fell 0.1 percent in October for the first time in many months. New home sales fell for the second straight month in October. Domestic auto sales in early November were running at the sluggish level of about 6.6 million units per year.

Approximately two-thirds of the sharp downturn in the second quarter was attributable to the housing and automobile sectors.

High interest rates could again cause these interest-sensitive sectors to substantially weaken the economy.

Perhaps most significantly, there is no clear indication—despite the effort by the Federal Reserve over the last year to harness the growth in the money supply—that the underlying rate of inflation has moderated. Over the second and third quarters of this year the GNP deflator rose at a 9.7 percent annual rate. Producer prices increased at a 10.6 percent rate in October.

High interest rates, decontrolled energy prices, and poor crop yields continue to be fed into the cost structure of the economy. And a new round of wage settlements scheduled next year will approach double-digit levels.

As we measure President-elect Reagan's economic plan against the current economic backdrop, we must question how he hopes to control inflation and meet his promise to restore economic growth at the same time.

One might argue that President-elect Reagan has a long term plan to dampen inflation by stimulating investment in new plant and equipment, and thus increase the growth in productivity. Everyone agrees that we *do* need modernized productive capacity, but we must recognize that the anti-inflationary payback from this effort is years away.

In the short run, he hopes to stimulate the economy with massive, historically unprecedented tax cuts which are unlikely to be offset even by his optimistic projected spending cuts. I believe that he cannot achieve a 7 percent to 10 percent cut in the Federal Budget, while at the same time significantly increasing defense spending, without cutting deeply into many programs which he has promised to hold harmless.

President-elect Reagan has promised to make his budget cuts without "altering or taking back necessary entitlements already granted to the American people."

Let us examine the federal budget: In rough terms, defense represents 24% of the budget. The President elect plans to increase this amount by more than the five percent real annual increase promised by President Carter. Interest on the debt is 9% of the budget. Social Security, railroad, and federal employee retirement and insurance equal 32% of the budget. These three items alone amount to 64% of the federal budget—and that does not include veterans benefits, unemployment insurance, medicaid and medicare—all of which are presumably "necessary entitlements already granted to the American people."

The answer, quite simply, is that defense spending cannot be increased and entitlements held harmless, and a 7% to 10% budget cut can be achieved—unless programs such as revenue sharing, alternative fuels, water projects, and assistance to rails, ports, and road construction are slashed dramatically.

It appears from reports in the press that the President-elect has been presented with a list of budget cuts which will cut entitlement programs. The President-elect has commented that his savings can be achieved by eliminating extravagances. Senate Democrats stand ready with our scalpels to cut extravagances as well.

But one man's extravagance is another's vital program. And any deep cuts into entitlement programs could jeopardize the newly elected President's credibility.

Given the difficulty of achieving spending cuts large enough to offset the enormous tax cuts he has promised, I fear that if President-elect Reagan persists in cutting taxes on the scale he has promised, he could preside over enormous budget deficits.

Inflation, already raging at 10%, will go higher should this occur. The Federal Reserve will have the only anti-inflation game in town. And it is my view that the fight against inflation should not—and cannot—be left up to the Federal Reserve. While adherence to the monetarist theory that inflation is strictly a function of money supply growth might be a comforting intellectual exercise, the Fed's performance in pursuit of a policy of control of monetary aggregates has not dampened inflation—and, to the contrary, has produced the wildest gyrations in interest rates and the money supply we have ever experienced.

It is my view that inflation will not be controlled until we break the spiral of wages and prices which leads people to expect that prices will go ever upward.

And I reject the notion that this country is so bankrupt of economic thought and national will that the only way to break this expectation is by putting our people through the wringer of prolonged recession, 10 percent unemployment, and 20 percent interest rates.

Yet I fear that this will be offered as our only alternative in the not-too-distant future unless President-elect Reagan does two things:

First, I hope he will reject the fiscal radicalism of the Roth/Kemp tax cut.

Second, I hope he will formulate an effective and fair incomes policy.

Early in his term, President Reagan will enjoy a high level of public support. To be effective, an incomes policy requires a strong leadership from the Oval Office—leadership which can mobilize public support.

I would hope that early in his term of office President Reagan will bring together the best minds in the nation from business, labor, and the public to fashion a wage/price strategy. I believe that the Congress would support this effort. I believe that the American people would welcome it.

I readily admit that previous attempts at establishing incomes policies have yielded only short- or medium-term benefits. An incomes policy can only help to buy some time until productivity increases from fuller employment, and investment in new plant and equipment, can start paying off. It can work only in the context of reasonable fiscal and monetary policy.

One year from now, faced with a large deficit in FY 1982, it could be too late for President Reagan to go to the American people with a plan for controlling wages and prices.

I hope that as part of his initial economic plan he will mobilize the American people in a collective effort to fight inflation.

I hope he will moderate his fiscal policy, particularly in the tax cutting area.

I hope he will work with the Congress to promote changes in the tax code to stimulate investment and discourage speculation.

Democrats in the Senate stand ready to contribute in every way possible to the realization of these hopes.

SALT II

Mr. HOLLINGS. Mr. President, I wish to address the Senate with respect to SALT II.

Nowhere in the record, apparently, has there been detailed the particular facets of this contract or agreement.

I have practiced law for over 30 years. I have had good experience in looking at contracts and finding out the advantages and disadvantages, the trouble spots, and the things to caution your client about.

In looking at this contract with my client, the United States of America, I had to look in vain to find the particular advantages. I know of one advantage that they all talk about. That is that SALT II gets you to SALT III.

This takes us back to the silly scenario, Mr. President, back in 1972, when we passed SALT I. If you can imagine the spurious nature of that particular agreement, it could only be highlighted in its deficiency by the Jackson amendment. I say that with all regard for the integrity and abilities of Senator JACKSON. I have followed Senator JACKSON and no one is more forthright with respect to our national defense than the distinguished Senator from Washington. So I am not being critical there. But in desperation, to try to point out that at least we were not totally asleep during our consideration of SALT I, we put in an amendment where we said, "The next

time the next SALT agreement shall be equal," saying this time SALT I was unequal, disadvantageous, and not in the security interests of the United States of America.

Well, we tried. Mr. President, if you will recall, if you ever make an unequal agreement in the first instance, that puts an undue burden to equalize in the second instance. It places an undue burden on those who prevailed in the first negotiations, namely our Soviet friends. They have to get as much as the last negotiators got. We, in turn, with the Jackson amendment type of approach have to struggle even harder to get something that is supportable, equal, and defensible, have to work double time to get certain advantages to equalize the disadvantages of the first agreements.

Well, I looked for the elements of the Jackson amendment in SALT II. I looked for the advantages. Instead of advantages, and these are the things that are particularly nettlesome, I found nothing but disadvantages.

Categorically, let us look at the record of SALT II. SALT II does not control missiles, it does not control warheads, and it does not control launchers.

That is a remarkable statement to make, when you have a set agreement and you are supposed to limit strategic arms. If they do not limit the missiles themselves, and it is not contended, that the missiles were ever limited, the SALT-sellers immediately jump and they say, "Well, at least warheads." They make all kinds of arguments and presentations to the effect that the warheads were limited and all you had to do was to realize that the Soviets, on their SS–18's, could put on 20 or 30 warhead positions or maneuvers and we limited them to 10. But article 4, section 10 of the second agreed statement, if we look at that particular statement, detalis the acceptability of the use of decoys. The tactical name they have is antimissile defense penetration aides. It says just that, that you can use decoys. So it put us to the task of saying, "Wait a minute, there go 20 instead of 10 warheads."

The Soviet response? "No, that is wrong. What we have is only 10 warheads, the other 10 are merely decoys." That's their assertion. We have no way to question it.

How do you control the possibility for cheating? We have a long way to go if events in recent months are any example. Dramatic information has become public exposing gross Soviet violations of the Biological Warfare Convention. Because of an accident at Sverdlovsk in which more than 1,000 people died of Anthrax disease, it is now beyond question that the Soviets have been manufacturing and testing germ war agents in that facility, in blatant violation of the treaty. It is significant that we were unable to verify these violations until there was a massive explosion and accident in the facility itself. Translating this to the question of warheads, must we wait for 10 warheads from a missile to explode and then hold the Soviets in violation of SALT II for everyone over 10 that then explodes.

There are not any limitations to the warheads on SALT II.

Specifically, Mr. President, when we got to the matter of this MX deployment system and digging up holes all over everywhere, we brought into sharp focus the fact that SALT II did not limit launchers. Everyone had always thought that the silos themselves were the launchers. But, with MX we were contending that we could dig all the silos we want, because they were not limited, and we could run around and either put them vertically, in what they call a map or multiple-aim point system, or horizontally in a racetrack system and dig up the Wild West to do it. But Soviet Secretary of Defense Ustinov said, no, you could not do that. It was his understanding that silos were the launchers.

Then we all looked and we keep on looking, and I would challenge those who have drawn this particular treaty to show me wherein launchers are defined. They intentionally avoided describing silos. Read the notepapers that you have. Gen. Ed Rowny stated that the other negotiators who were there intentionally evaded, avoided a specific designation description of launchers.

The truth of the matter is that we take the launcher, the Minuteman III, that we have at Vandenberg Air Base on the tarmac—and I could show a picture that is now unclassified. We had a yellow benchmark on which to locate and coordinate our canister launcher and we put that on the tarmac. In the canister, we attached a couple of wires and fired it off and, downrange 3,000 miles, the missile hit the target right on the head.

Of course, now that the Soviet has developed the cold launch technique, the question of launchers is moot. The waiting period before the launcher may be reused is greatly reduced.

So where then are the limitations? If you do not limit launchers and you do not limit silos or canisters. If you can use these mobile canisters and not the silos, you do not limit launchers, you do not limit warheads and you do not limit missiles.

They say, look at the other provisions. Then this would end the agreement with me with this basic or fundamental misunderstanding. But, let us look at the particular missiles provisions and go to the difference in weaponry systems.

They say that the United States of America went to the lighter, more accurate missiles, and the Soviet went to the heavy and we should not worry about this basic difference. And we did not have to worry about that until it became necessary to defend the missile field located in hardened concrete. Herein the accuracy in throw weight becomes a very significant factor. We learn then that the throw weight advantage of their 308, SS–18 missiles is copper-fastened into SALT II for the Soviet and denied to us. If we are to equalize that particular facet of SALT II, we are entitled to at least 150 extra MX missiles.

That is an easy way to cancel out the 308 numerical advantage. If we are going to limit them, let us cut those out and then cut out an equal amount of throw weight on the U.S. side. But if we are going to grant it on the Soviet side, then certainly to be able to have equal throw weight, we ought to have at least 150 additional MX missiles.

We are not given that. Therefore, that is a distinct disadvantage and an advantage given the Soviets, that was given in SALT I.

I have no doubt that the Soviets would love SALT II. The Soviets would love to get any one of these particular advantages contained in SALT II.

The Soviets are granted a mobile system under SALT II. We are denied it.

They are granted five new advanced missile systems under the SALT II agreement, we are restricted to one. Restricted to one, if you please, Mr. President.

Mr. President, you can move from the issues of development, and the mobility, and the heavy throw weight, and the nature of the missiles themselves and the other facets, to other strategic arms, namely, the long-range intercontinental heavy bombers. Now I think the news reported several were 200 miles off the coast of the United States of America the week before last, Mr. President. Under the SALT II agreement we are asked not to worry about the capability of the Backfire bomber and not to be frightened like a bunch of children.

The Soviet Backfire bomber has definite strategic capabilities. Aviation Week and other journals of note have revealed pictures and other intelligence showing beyond argument that the Backfire bomber has the ability and the standby mission to attack the continental United States in the event of war.

On the other hand we have to count our long-range B–52's, even to the meticulous point of counting one fixed in concrete, out at Wright-Patterson Base as you go in the gates, that we could not use. But we count that. But they did not count their Backfire bombers.

That is another disadvantage. We were required to count our cruise missiles—not only count them, but limit them in their range. If we are going to limit our intermediate cruise missiles, consequently, we ought at least to limit their intermediate ballistic missiles, namely, their SS–20's.

We know on the one hand. an SS–20 with an additional thruster—they have two and can add a third thruster—becomes an ICBM. That can be done in 4½ hours. The SS–20 then becomes an SS–16.

Be that as it may, let us say it is an intermediate ballistic missile. Our cruise missiles are intermediate. We limit intermediate cruise but do not limit intermediate ballistic missiles. Another disadvantage.

Mr. President, I see that my distinguished friend from Connecticut has momentarily returned from his committee hearing and markup session. I know we will soon need to return to the pending matter so let me try to wind down on a very, very important thing that really ought to be discussed in full, but never will be.

When we look at the differentiation, much has been said relative to, first, never having debated SALT II. The President of the United States came to South Carolina. When asked about SALT II and the votes of the Senate and what have you, he said, actually, it had never been considered by the U.S. Senate. We know how we consider and how we debate. I have a clear memory of back in 1978, before it was even ratified or signed in Vienna in June of 1979, at the NATO conference in Lisbon, Portugal, at the end of 1978, the beginning of December, there was a full court press by the administration to have NATO itself endorse SALT II before it was signed. We were already getting elements of the argument.

The State-Justice-Commerce appropriations bill is a guide for our understanding of when and how the selling of SALT was undertaken. This appropriations bill lists amounts expended for speakers that were being sent around in the fall of 1978, before SALT II was signed, to persuade approval of the treaty and soften up the troops, so to speak. So SALT II was in full debate amongst Senators, on college campuses, among the business leadership of this country and the defense concerns, all in 1978. We got into a full debate about it in the winter and spring of 1979 and, by 1980, at the time of signature, we were ready and waiting for the hearings, to bring our witnesses.

In the Committee on Foreign Relations, there was a vote of 9 to 6. Some of those who voted for SALT II are running around the world—running around the world, Mr. President—now saying we cannot have SALT II. Anyway, there were nine of them there for it and six of them voted against it.

In the Committee on Armed Services, and this is one of the points I wanted to emphasize, the administration kept up the full court press to make sure that, No. 1, they did not have a hearing, No. 2, if they did have a hearing, they did not have a vote; and No. 3, if they did have a vote, they would not report it.

The report of the Armed Services Committee has been withheld. After all the witnesses, and cross-examination, and review and debate, the committee voted 10 to 0 against it.

We have a cumulative vote among U.S. Senators that considered it, 10 and 6 is 16 opposed, and 9 for.

So that is the poll. They are great in taking polls. That is the poll at this particular minute, not a majority, not two-thirds, but a majority of those polled have opposed it for very good reasons.

More than anything else, if we go into some of the details, SALT II is a budget buster. I have had things to say as chairman of the Budget Committee in this regard.

I can say categorically, if we look at the advantages and disadvantages of SALT II it is a budget buster. If we look budgetarily, and that is how we will look in the defense debate, and I hope some writer covering defense and the budget will certainly look into this particular facet, we have had a $28.2 billion increase in the 1981 defense budget over 1980.

A lot of people run around talking about adding $20 billion more to that figure. We can forget that. We will not be able to add that. We cannot stand those things. There is just so much the Defense Department can buy.

They have $28.2 billion. We have gotten into pay, benefits, operation. We are getting into maintenance, R. & D., flight hours, steaming hours, and we are replenishing ammunition. But one of the big things to see is how we can extend America's security and defenses and technology.

They can run around and say, "We do not want superiority in this, we do not want superiority in that."

There is no one in this U.S. Senate who would ever deny that we must have—must have—a superiority in technology. That is the only way we will be able to prevail.

We do not have the manpower. We do not have the hardware. We do not have the planes, the missiles, or anything else.

Necessarily speaking, Mr. President, we may not ever get the exact parity in each of these categories. But as long as we have a lead in technology, with a lesser population, limited resources, and other commitments to a civilized, free society, there are certain things a free people will sacrifice for, to a point, as we found in Vietnam. But beyond that, it will be very difficult. We must have a superiority in technology.

Under SALT II, we cannot use commercial aircraft like wide-bodied 747's to deliver cruise missiles. The Soviets claimed that they were too hard to distinguish from regular commercial aircraft, so we have agreed to develop a different wide-bodied cruise missile carrier. The initial cost to meet compliance with this element of the treaty is $2 billion.

Under SALT II, we must redesign our B–52's for verification. This is while we agree at the same time that the Russians can encrypt information necessary for our verification. These SALT mandated changes to the B–52's are called functionally related observable differences. The cost of FROD is $300 million. It could be saved without SALT II.

We find we could increase the firepower of our Navy with cruise missiles and have less ships—they are awfully expensive. We could increase the air power. We have 600 medium bombers in the NATO front. Each plane costs $10 million and the 600 planes $6 billion. We could replace those 600 with cruise missiles, and without the crews, the maintenance costs, and everything else necessary, we could save $5.5 billion.

There is no question but what Dr. Richard Pipes of Harvard was on target. S–a–l–t, rather than Strategic Arms Limitation Talks, he said stood for stop america's lead in technology. That is what they wanted to do, and that goes right to the budget, as well as the technology.

We could do it with the Navy and, more than anything else, we could do it with an ABM system, rather than digging up the wild, wild West and installing the MX system.

The cost for MX has been estimated first at 30, then 40, up to 60. They are now projecting anywhere from $80 billion to $90 billion to do it.

We can develop with the technology. We have it right now in the defense appropriation bill. The defense appropriation conference meets again this afternoon. We put in an additional $50 million at the time of the ABM debate, and ABM was improved and found to be very, very reliable.

The Soviets have their ABM system. We allowed one, but it is limited to 100 missiles.

The ABM Treaty comes up either for termination or renegotiation in 1982. But we can move forward with an ABM defense system at a cost of $9 billion compared to $90 billion for MX.

In other words, if we use our technology and stop these little arguments about running into the ocean with special made submarines, not even designed let alone effective, that would end up costing more, perhaps, than even a Trident. Watch it. Give that crowd something to design again that is new, small, and carry a missile, and withstand tidal waves, to be placed off the Continental Shelf.

Everybody likes to play war. In my first 10 years in the U.S. Senate, on Vietnam, the expense in backing up the battleships with these little ideas that come along was tremendous. But we have to take the consummate judgment of the technologists in the field.

The best solution in this is to rely on our technology to develop our ABM missile system at the cost of $9 billion rather than $90 billion for MX.

By not having SALT II, we can move forward, if we can get the leadership in this country to use America's technology and not bargain it away in a bad agreement.

We are living in days of symbolism. They tell us that if we are for peace as we all are, then disarmament is the course we must pursue. The perception has been created that if you are against disarmament—such as manifested in the SALT II treaty—then you oppose peace. Disarmament, which we all want, is the symbol for peace. Overlooked in the convenience of this imagery is the substance of SALT II. It is as I have pointed out, clearly lacking. If we truly want disarmament, let us go to Vienna, participate in the mutual balance force reductions, go to conventional weaponry.

The Soviets are not marching into Afghanistan with missiles, or Angola,

Ethiopia, Somalia, and other places. They go in with tanks, guns, machineguns, and artillery. That is where to begin with limitation.

We can continue the SALT discussions to get a balanced, enforceable, verifiable agreement. I am for that.

But no one ever stood on this floor and had a chance this year, even though we debated it off the floor for some 2 years, at least, to point out some of these stark deficiencies in SALT II. That is why 40 or 50 Senators would not commit to voting for it. They wanted amendments, and everything else. It was not because of Afghanistan.

It was a very remarkable series of hearings, when we started hearings on arms limitation back in June, July, and August of last year. Rather than limiting arms, we came out and found what we needed to do was start building arms.

That is where we are at this particular point, how to do that intelligently, economically, without overkill without the gold plating without the expensive things that cannot be manned, repaired, used, or otherwise trained upon, and everything else.

America needs a realistic defense. The only way we will be able to do that is on her technology. We must continue to be superior in that instance.

STATE, JUSTICE, AND COMMERCE APPROPRIATIONS, 1981—CONFERENCE REPORT

Mr. HOLLINGS. Mr. President, I submit a report of the committee of conference on H.R. 7584 and ask for its immediate consideration.

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

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7584) making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending September 30, 1981, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The ACTING PRESIDENT pro tempore. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of November 20, 1980.)

Mr. HOLLINGS. Mr. President, this report was printed as House Report 96–1472, and the statement of the managers fully explains the agreements reached in the conference.

The conference on this bill was held on November 20 and it was a good session with both sides striving hard for their priorities but at the same time eager to work out a final bill before Congress adjourns. Throughout the conference our distinguished ranking minority member, the junior Senator from Connecticut (Mr. WEICKER), was a steadfast ally in defending the Senate's positions on the various matters. It was his ingenuity, Mr. President, that brought us together on many of the knotty questions.

The conference agreement amounts to $9,131,056,000, and is $535,331,000 below the budget estimates and $2,789,431,554 below the amount appropriated in fiscal year 1980. The decrease from last year's level is largely due to the nonrecurrence of the appropriations to the disaster loan fund, particularly with regard to the Mount St. Helen's eruption.

With regard to the disaster loan fund, the conference agreement includes $100 million in new borrowing authority for the disaster loan fund in conformance with the Small Business Amendments Act. While it is as far as we could go in this bill, we do expect to appropriate an additional $500,000,000 in the continuing resolution to provide the necessary assistance between now and next February for the farmers and other persons affected by drought and other disasters.

In brief, the conferees took the following actions with regard to other items of major interest to the Senate:

First. We receded on the 1981 funds for the International Labor Organization since the appropriation is not yet fully authorized.

Second. We obtained the full $9,500,000 approved by the Senate for the multi-State crime intelligence networks, as well as the Senate amounts for the Immigration and Naturalization Service, and the Office of Justice, Assistance, Research and Statistics. We also secured the initial funds for the long-sought study of the National Criminal Information Center System, as well as funds to implement a Department of Justice case management system.

Third. The full $624,000,000 inserted by the Senate for the economic development assistance programs of the Economic Development Administration was secured. This is a major advance toward the national objective of revitalizing and reindustrializing the country.

Fourth. The Senate's high-priority items for the National Oceanic and Atmospheric Administration, including $15,000,000 for a program to buy back the boats and licenses to compensate fishermen affected by the recent court decisions to share the fishing rights with the Indians was obtained.

Fifth. The conference agreement includes the full $321,300,000 requested by the President for the Legal Services Corporation. Language is included prohibiting the Corporation from providing legal assistance for any litigation which seeks to adjudicate the legalization of homosexuality.

Sixth. The conference agreement provides the full request for salaries and expenses of the Small Business Administration, including $9,500,000 for the small business development centers. The conferees also agreed to the Senate's position that SBA's assistance to women entrepreneurs can best be delivered through existing SBA program structures. We also restored SBA's direct business loans to the 1980 level of $291 million as well as expanding the guaranteed business loans to $4 billion due to great demand. An allocation of $4 million from the disaster loan fund for the businesses affected by the Olympic boycott was also approved.

Mr. President, before leaving SBA, let me note that there is a mistake on page 16 on the conference report. The "All other" category for salaries and expenses should be $81,174,000 instead of $79,674,000.

Mr. President, there have been numerous calls regarding SBA's emergency energy shortage economic injury loan program. In our report No. 96–949, the committee directed that SBA should take appropriate steps to include the recreational vehicle industry in this loan program because we believe that they were adversely impacted by the energy shortage of 1979. During the debate on this bill on November 12, Senator BAUCUS brought to our attention that campgrounds were similarly affected by the fuel shortage and should be considered in connection with the recreational vehicle industry. I indicated to him that we thought that SBA should also consider campgrounds.

The House has a long standing opposition to bringing report language into the conference unless there is a conflict between the committees. The House report of course was silent on this issue, so the Senate actions stand as clear guidance to the agency and I ask unanimous consent to have printed in the RECORD a letter I sent to SBA Administrator Weaver last week with regard to this situation.

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

COMMITTEE ON APPROPRIATIONS,
Washington, D.C., November 24, 1980.

Hon. A. VERNON WEAVER,
Administrator, Small Business Administration, Washington, D.C.

DEAR VERNON: Enclosed is a copy of the report of the Committee on Appropriations, 96–949, with regard to the 1981 Appropriations Bill for the Departments of State, Justice, Commerce, the Judiciary and Related Agencies.

I wanted to draw to your attention the discussion on page 77 under the Disaster Loan Fund. Particularly the second paragraph where the Committee directed that the recreational vehicle industry be made eligible for loans under the Emergency Energy Shortage Economic Injury Loan Program. In addition, I have included page 29334 of the Congressional Record of November 12th wherein Senator Baucus and I agreed that campgrounds should also receive funding under this program.

I would appreciate your looking into this matter and advising me at the earliest possible date of the plans of the SBA to resolve these congressional concerns.

With warmest personal regards.

Sincerely yours,

ERNEST F. HOLLINGS,
Chairman, State, Justice, Commerce, the Judiciary and Related Agencies Subcommittee.

Enclosures (2).

EXCERPT FROM SENATE REPORT 96-949

It is the belief of the Committee that the recreational vehicle industry was adversely impacted by the energy shortage of 1979. As a direct result of this fuel shortage, these small businesses have experienced great economic hardship. For that reason, the Committee directs that this industry should be included in the definition of those small businesses eligible for funding for loans under the Emergency Energy Shortage Economic Injury Loan Program and directs the Administrator of SBA to take the appropriate steps to include the recreation vehicle industry in this loan program.

EXCERPT FROM CONGRESSIONAL RECORD OF NOVEMBER 12, 1980

Mr. HOLLINGS. I wonder if the distinguished Senator from Connecticut will yield just a moment. The Senator from Montana has a short colloquy.

Mr. WEICKER. I yield.

Mr. BAUCUS. It has come to my attention that the report language for H.R. 7584 includes language which directs the Small Business Administration to include the recreational vehicle industry in the definition of those small businesses eligible for funding by loans under the emergency energy shortage economic injury loan program.

Mr. President, the recreational vehicle industry is totally entwined with the campground business. You cannot have one without the other. Yet campground operators, which suffered just as much from energy shortages, were not included in the language. It is not wise to neglect campground operators, especially if assistance is given to recreational vehicle manufacturers and owners. There will be no place for them to go if the campground operators have gone bankrupt.

I would appreciate it if the committee were to note this concern and consider the possibility of raising the issue in conference to help campground operators in America as well as their sister industry, the recreational vehicle industry.

I am inserting in the RECORD an excellent letter which the Director of Administration for Campgrounds of America sent me. It describes very well the difficulties the industry has faced.

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

KAMPGROUNDS OF AMERICA, INC.,
Billings, Mont., September 26, 1980.

Hon. MAX BAUCUS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BAUCUS: Through an initiative by Senator Birch Bayh, the Senate Appropriations Subcommittee on State, Justice, Commerce and the Judiciary has accepted an amendment letter into the subcommittee report which accompanies the bill appropriating Small Business Administration funds for 1981. In summary, the amendment letter referred to hardships suffered by the recreational vehicle industry due to energy related problems. It directed the SBA to include the R.V. industry in the definition of those small businesses eligible for funding for loans under the Emergency Energy Shortage Economic Injury Loan Program.

Senator, no industry has been visited with more economic hardships from energy problems then the camping industry. Campground operators are usually small business people with everything invested in their campgrounds, and now their own futures are being threatened by economic forces beyond their control.

While the cost of doing business has soared since 1979, campgrounds have experienced quarterly declines in dollar receipts of 5% to 7%, which means at least a 14% to 16% decline because of inflation. In the Mountain West region, real sales declined 14% in the peak period second and third quarters of 1979. And 1980 was no better. Employment is down, too. Campground owners are forced to reduce payrolls, and the concomitant services offered to lure potential travellers.

Campground owners must have relief from the overwhelming burdens and hardships of forces beyond their control. They are not looking for handouts, but rather for operating capital to see them through tense times caused by the energy shortage. They deserve the support of us all. We are talking about independent business men and women—free enterprise people—people who would ordinarily look to conventional loans to modernize and see them through tough periods, but conventional interest rates are too high, making it nearly impossible to pay back much needed loans.

Therefore, we urge that you make every effort to include campground owners in the group of businesses able to receive SBA funds for 1981. You have long been recognized as a champion of tourism, and I know you are familiar with the problems I have outlined. Your help will be much appreciated.

Sincerely,

RALPH BURNEY,
Director of Administration.

Mr. HOLLINGS. Mr. President, if the distinguished Senator from Montana would observe, on page 77 of the committee report it states:

"It is the belief of the Committee that the recreational vehicle industry was adversely impacted by the energy shortage of 1979. As a direct result of this fuel shortage, these small businesses have experienced great economic hardship. For that reason, the Committee directs that this industry should be included in the definition of those small businesses eligible for funding for loans under the Emergency Energy Shortage Economic Injury Loan Program and directs the Administrator of SBA to take the appropriate steps to include the recreation vehicle industry in this loan program."

So I think in there we express the very same intent that the distinguished Senator from Montana desires, and I would go along with his concern that the campgrounds also be considered.

Mr. BAUCUS. Mr. President, I thank the Senator.

I thank the Senator from Connecticut for yielding.

Mr. HOLLINGS. Mr. President, I also ask unanimous consent to insert in the RECORD a clarifying statement about the Worldwide Information and Trade System (WITS) administered by the Department of Commerce. A similar statement was included in the Senate report on H.R. 7584. But, this statement further clarifies the Congress' intent on private sector cooperation on and access to WITS.

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

WORLDWIDE INFORMATION AND TRADE SYSTEM

The conferees have included $3,000,000 for the Worldwide Information and Trade System (WITS) in H.R. 7584. WITS will facilitate the delivery of needed export information to the U.S. Government, State and local governments, and to private sector multipliers for redissemination to the public and to individual exporters and foreign importers. Without these funds WITS could not be expanded to encompass the 47 U.S. cities and 40 countries planned to be on line by fiscal year 1982.

The objective of WITS is to help increase U.S. exports. The Committee intends that this objective be accomplished in a manner which utilizes to the maximum extent possible existing private sector data bases and other information services and does not duplicate or compete with them.

The Committee heard testimony from information industry witnesses indicating that the WITS development plans have not complied with the Congressional intent, contained in the FY 1980 Appropriations Report, to avoid competition with, or duplication of private sector information services.

The Committee endorses the Department's commitment to comply with this intent by: (1) issuing a Request For Information (RFI) which will identify existing private sector export information services; (2) selecting a WITS design option which builds on such services; (3) establishing an objective advisory panel, composed of members of the private sector, to review the design for compliance with the Congressional intent; and (4) conducting "sunset reviews" of government data bases developed for WITS.

The Committee intends that to the extent feasible WITS be self-sustaining or self-liquidating through charges to users of the online services. Moreover if the Department sells WITS data collected by or on behalf of it in the form of computer tapes or printed output to governmental and private subscribers, the Committee intends that prices for these services bear a fair share of the Government's costs in developing and providing the information as required by existing laws, regulations and policies. Such requirements and policies have been sanctioned by the Federal courts, see SDC Development Corp. v. Mathews, 542 F.2d 1116 (1976), and it is the Committee's intent that they apply to WITS. Of course, to the extent WITS accesses or uses private sector data bases, the ownership of such data shall be determined by agreement between the Department of Commerce and the supplier of the data. Moreover, the data cannot be copied or disseminated except in accordance with such agreement. To do otherwise would substantially impair the Department's ability to continue providing the WITS services.

Mr. HOLLINGS. As the Members will recall, there were several major policy issues that arose during the consideration of this bill. For example:

First. The Collins amendment regarding school busing was not in conference but we receded on the additional language added by the Senate in section 609 that was offered by Senator WEICKER and amended by Senator HELMS. A veto has been threatened because of the Collins amendment but by the time that word reached us, the language was already nailed down in the bill;

Second. We had to recede on the rider added by the Senate lifting the grain embargo. While there was a unanimity among the conferees that the farmers should not carry the burden alone, especially when others are selling pipe-laying equipment to the Soviets, we were

persuaded not to end the embargo in the few remaining days of the Carter administration, but to allow President-elect Reagan to make his judgment on it;

Third. We retained the Senate restriction on the payments by UNESCO to the PLO; and

Fourth. Finally, we had to recede to the House with regard to letting the Federal Communications Commission rent their own space and locate their headquarters within 2 miles of the present District of Columbia boundary.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a table that gives the complete results of the conference in tabular form.

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

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION ACT, 1981 (H.R. 7584)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY

[Amounts in dollars]

	New budget authority					Conference agreement compared with—			
	Enacted fiscal year 1980	Estimates fiscal year 1981	House fiscal year 1981	Senate fiscal year 1981	Conference fiscal year 1981	Fiscal year 1980 enacted	Fiscal year 1981 estimate	House bill	Senate bill
TITLE I—DEPARTMENT OF STATE									
Administration of Foreign Affairs									
Salaries and expenses	723,743,000	820,953,000	813,000 100	813,000,000	813,000,000	+89,257,000	−7,953,000		
By transfer	(11,349,000)					(−11,349,000)			
Subtotal, obligational authority	(735,092,000)	(820,953,000)	(813,000,000)	(813,000,000)	(813,000,000)	(+77,908,000)	(−7,953,000)		
Representation allowances	3,090,000	3,509,000	3,125,000	3,125,000	3,125,000	+35,000	(−384,000)		
Acquisition, operation, and maintenance of buildings abroad	64,000,000	118,432,000	118,432,000	118,432,000	118,432,000	+54,432,000			
Acquisition, operation, and maintenance of buildings abroad (special foreign currency program)	18,150,000	37,400,000	8,200,000	8,200,000	8,200,000	−9,950,000	−29,200,000		
Emergencies in the diplomatic and consular service	6,650,000	5,000,000	5,000,000	5,000,000	5,000,000	−1,650,000			
Buying-power maintenance		20,000,000	5,000,000				−20,000,000	−5,000,000	
Payment to the American Institute in Taiwan	5,954,000	6,282,000	6,282,000	6,282,000	6,282,000	+328,000			
Payment to the Foreign Service retirement and disability fund	47,546,000	42,346,000	42,346,000	42,346,000	42,346,000	−5,200,000			
Total, administration of foreign affairs	869,133,000	1,053,922,000	1,001,385,000	996,385,000	996,385,000	+127,252,000	−57,537,000	−5,000,000	
International Organizations and Conferences									
Contributions to international organizations	419,100,000	508,083,000	481,110,000	508,083,000	481,110,000	+62,010,000	−26,973,000		−26,973,000
Transfer out	(−7,600,000)					(+7,600,000)			
Subtotal, obligational authority	(411,500,000)	(508,083,000)	(481,110,000)	(508,083,000)	(481,110,000)	(+69,610,000)	(−26,973,000)		(−26,973,000)
Contributions for international peacekeeping activities	67,000,000	53,550,000	50,000,000	50,000,000	50,000,000	−17,000,000	−3,550,000		
Transfer out	(−12,000,000)					(+12,000,000)			
Subtotal, obligational authority	(55,000,000)	(53,550,000)	(50,000,000	(50,000,000)	(50,000,000)	(−5,000,000)	(−3,550,000)		
Missions to international organizations	14,218,000					−14,218,000			
By transfer	(356,000)					(−356,000)			
Subtotal, obligational authority	(14,574,000)					(−14,574,000)			
International conferences and contingencies	6,700,000	7,518,000	7,000,000	7,000,000	7,000,000	+300,000	−518,000		
Total, international organizations and conferences	507,018,000	569,151,000	538,110,000	565,083,000	538,110,000	+31,092,000	−31,041,000		−26,973,000
International Commissions									
International Boundary and Water Commission, United States and Mexico:									
Salaries and expenses	7,700,000	7,923,000	7,923,000	7,923,000	7,923,000	+223,000			
By transfer	(224,000)					(−224,000)			
Subtotal, obligational authority	(7,924,000)	(7,923,000)	(7,923,000)	(7,923,000)	(7,923,000)	(−1,000)			
Construction	8,200,000	5,752,000	5,752,000	5,752,000	5,752,000	−2,448,000			
American sections, international commissions	3,200,000	3,198,000	3,000,000	3,000,000	3,000,000	−200,000	−198,000		
By transfer	(71,000)					(−71,000)			
Subtotal, obligational authority	(3,271,000)	(3,198,000)	(3,000,000)	(3,000,000)	(3,000,000)	(−271,000)	(−198,000)		
International fisheries commissions	7,500,000	8,286,000	8,038,000	8,038,000	8,038,000	+538,000	−248,000		
Total, international commissions	26,600,000	25,159,000	24,713,000	24,713,000	24,713,000	−1,887,000	−446,000		
Other									
United States—Yugoslavia Bilateral Science and Technology Agreement	500,000	1,400,000	1,400,000	1,400,000	1,400,000	+900,000			
The Asia Foundation				4,100,000	4,100,000	+4,100,000	+4,100,000	+4,100,000	
General provisions: Consultant services reduction				−284,000					+284,000
Total, title I, new budget (obligational) authority, Department of State	1,403,251,000	1,649,632,000	1,565,608,000	1,591,397,000	1,564,708,000	+161,457,000	−84,924,000	−900,000	−26,689,000

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION ACT, 1981 (H.R. 7584)—Continued

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY—Continued

[Amounts in dollars]

	New budget authority					Conference agreement compared with—			
	Enacted fiscal year 1980	Estimates fiscal year 1981	House fiscal year 1981	Senate fiscal year 1981	Conference fiscal year 1981	Fiscal year 1980 enacted	Fiscal year 1981 estimate	House bill	Senate bill
TITLE II—DEPARTMENT OF JUSTICE									
General Administration									
Salaries and expenses	32,500,000	31,333,000	30,333,000	40,833,000	40,833,000	+8,333,000	+9,500,000	+10,500,000	
By transfer	(950,000)					(−950,000)			
Subtotal, obligational authority	(33,450,000)	(31,333,000)	(30,333,000)	(40,833,000)	(40,833,000)	(+7,383,000)	(+9,500,000)	(+10,500,000)	
U.S. Parole Commission									
Salaries and expenses	5,500,000	5,868,000	5,840,000	5,840,000	5,840,000	+340,000	−28,000		
By transfer	(260,000)					(−260,000)			
Subtotal, obligational authority	(5,760,000)	(5,868,000)	(5,840,000)	(5,840,000)	(5,840,000)	(+80,000)	(−28,000)		
Legal Activities									
Salaries and expenses, general legal activities	106,347,000	115,459,000	113,250,000	114,043,000	113,650,000	+7,303,000	−1,809,000	+400,000	−393,000
By transfer	(6,273,000)					(−6,273,000)			
Subtotal, obligational authority	(112,620,000)	(115,459,000)	(113,250,000)	(114,043,000)	(113,650,000)	(+1,030,000)	(−1,809,000)	(+400,000)	(−393,000)
Salaries and expenses, Foreign Claims Settlement Commission		828,000					−828,000		
By transfer	(1,030,000)		(828,000)	(828,000)	(828,000)	(−202,000)	(+828,000)		
Subtotal, obligational authority	(1,030,000)	(828,000)	(828,000)	(828,000)	(828,000)	(−202,000)			
Salaries and expenses, Antitrust Division	47,544,000	45,320,000	45,662,000	44,862,000	44,862,000	−2,682,000	−1,458,000	−800,000	
By transfer	(1,937,000)					(−1,937,000)			
Subtotal, obligational authority	(49,481,000)	(46,320,000)	(45,662,000)	(44,862,000)	(44,862,000)	(−4,619,000)	(−1,458,000)	(−800,000)	
Salaries and expenses, U.S. attorneys and marshals	253,691,000	274,323,000	271,250,000	268,537,000	268,537,000	+14,846,000	−5,786,000	−2,713,000	
By transfer	(6,907,000)					(−6,907,000)			
Subtotal, obligational authority	(260,598,000)	(274,323,000)	(271,250,000)	(268,537,000)	(268,537,000)	(+7,939,000)	(−5,786,000)	(−2,713,000)	
Support of U.S. prisoners	21,800,000	22,600,000	22,600,000	22,600,000	22,600,000	+800,000			
Fees and expenses of witnesses	27,000,000	27,000,000	27,000,000	27,000,000	27,000,000				
By transfer	(846,000)					(−846,000)			
Subtotal, obligational authority	(27,846,000)	(27,000,000)	(27,000,000)	(27,000,000)	(27,000,000)	(−846,000)			
Salaries and expenses, Community Relations Service	4,925,000	5,273,000	5,273,000	5,273,000	5,273,000	+348,000			
By transfer	(220,000)					(−220,000)			
Subtotal, obligational authority	(5,145,000)	(5,273,000)	(5,273,000)	(5,273,000)	(5,273,000)	(+128,000)			
Total, legal activities	461,307,000	491,803,000	485,035,000	482,315,000	481,922,000	+20,615,000	−9,881,000	−3,113,000	−393,000
Federal Bureau of Investigation									
Salaries and expenses	614,594,000	629,720,000	629,720,000	630,070,000	629,720,000	+15,126,000			−350,000
By transfer	(7,648,000)					(−7,648,000)			
Subtotal, obligational authority	(622,242,000)	(629,720,000)	(629,720,000)	(630,070,000)	(629,720,000)	(+7,478,000)			(−350,000)
Immigration and Naturalization Service									
Salaries and expenses	341,492,000	347,700,000	370,073,000	351,000,000	351,000,000	+9,508,000	+3,300,000	−19,073,000	
By transfer	(8,389,000)					(−8,389,000)			
Subtotal, obligational authority	(349,881,000)	(347,770,000)	(370,073,000)	(351,000,000)	(351,000,000)	(+1,119,000)	(+3,300,000)	(−19,073,000)	
Drug Enforcement Administration									
Salaries and expenses	200,640,000	205,235,000	205,100,000	206,800,000	206,800,000	+6,160,000	+1,565,000	+1,700,000	
By transfer	(3,439,000)					(−3,439,000)			
Subtotal, obligational authority	(204,079,000)	(205,235,000)	(205,100,000)	(206,800,000)	(206,800,000)	(+2,721,000)	(+1,565,000)	(+1,700,000)	
Federal Prison System									
Salaries and expenses	321,500,000	338,192,000	334,400,000	334,400,000	334,400,000	+12,900,000	−3,792,000		
By transfer	(3,300,000)					(−3,300,000)			
Transfer out	(−7,000,000)					(+7,000,000)			
Subtotal, obligational authority	(317,800,000)	(338,192,000)	(334,400,000)	(334,400,000)	(334,400,000)	(+16,600,000)	(−3,792,000)		
National Institute of Corrections	9,884,000	9,894,000	9,894,000	9,894,000	9,894,000	+10,000			
Buildings and facilities	5,960,000	10,020,000	10,020,000	10,020,000	10,020,000	+4,060,000			
Transfer out	(−23,327,000)					(+23,327,000)			
Subtotal, obligational authority	(−17,367,000)	(10,020,000)	(10,020,000)	(10,020,000)	(10,020,000)	(+27,387,000)			
Federal Prisons Industries, Incorporated: Limitation on administrative and vocational training expenses	(4,966,000)	(4,736,000)	(4,736,000)	(4,736,000)	(4,736,000)	(−230,000)			
Total, Federal prison system	337,344,000	358,106,000	354,314,000	354,314,000	354,314,000	+16,970,000	−3,792,000		

	New budget authority					Conference agreement compared with—			
	Enacted fiscal year 1980	Estimates fiscal year 1981	House fiscal year 1981	Senate fiscal year 1981	Conference fiscal year 1981	Fiscal year 1980 enacted	Fiscal year 1981 estimate	House bill	Senate bill
TITLE II—DEPARTMENT OF JUSTICE—Continued									
Office of Justice Assistance, Research, and Statistics									
Law Enforcement Assistance	442,695,000	127,845,000	127,845,000	127,845,000	127,845,000	−314,850,000			
Rescission	−4,439,446					+4,439,446			
By transfer	(7,000,000)					(−7,000,000)			
Transfer out	(−16,842,000)					(+16,842,000)			
Subtotal, obligational authority	(428,413,544)	(127,845,000)	(127,845,000)	(127,845,000)	(127,845,000)	(−300,568,554)			
Research and statistics	43,768,000	49,524,000	44,881,000	19,000,000	19,000,000	−24,768,000	−30,524,000	−25,881,000	
Total, Office of Justice Assistance, Research, and Statistics	482,023,554	177,369,000	172,726,000	146,845,000	146,845,000	−335,178,554	−30,524,000	−25,881,000	
Dispute resolution program				2,000,000					−2,000,000
General provisions: Consultant services reduction				−1,880,000					+1,880,000
Total, title II, Department of Justice:									
New budget (obligational) authority	2,475,400,554	2,247,134,000	2,253,141,000	2,218,137,000	2,217,274,000	−258,126,554	−29,860,000	−35,867,000	−863,000
Appropriations	2,479,840,000	2,247,134,000	2,253,141,000	2,218,137,000	2,217,274,000	−262,566,000	−29,860,000	−35,867,000	−863,000
Rescissions	−4,439,466					+4,439,446			
Limitation on expenses	(4,966,000)	(4,736,000)	(4,736,000)	(4,736,000)	(4,736,000)	(−230,000)			
TITLE III—DEPARTMENT OF COMMERCE									
General Administration									
Salaries and expenses	38,475,000	37,019,000	32,800,000	34,300,000	32,925,000	−5,550,000	−4,094,000	+125,000	−1,375,000
Participation in U.S. Expositions	20,800,000					−20,800,000			
Total, general administration	59,275,000	37,019,000	32,800,000	34,300,000	32,925,000	−26,350,000	−4,094,000	+125,000	−1,375,000
Bureau of the Census									
Salaries and expenses	53,690,000	57,368,000	54,600,000	55,600,000	54,600,000	+910,000	−2,768,000		−1,000,000
Periodic censuses and programs	639,300,000	169,650,000	146,450,000	146,450,000	146,450,000	−492,850,000	−23,200,000		
Total, Bureau of the Census	692,990,000	227,018,000	201,050,000	202,050,000	201,050,000	−491,940,000	−25,968,000		−1,000,000
Economic and Statistical Analysis									
Salaries and expenses	18,425,000	24,986,000	24,600,000	24,970,000	24,600,000	+6,175,000	−386,000		−370,000
Economic Development Administration									
Economic development assistance programs	512,525,000	769,250,000		624,650,000	624,650,000	+112,125,000	−144,600,000	+624,650,000	
Salaries and expenses	40,900,000	62,217,000	39,700,000	55,000,000	39,700,000	−1,200,000	−22,517,000		−15,300,000
Total, Economic Development Administration	553,425,000	831,467,000	39,700,000	679,650,000	664,350,000	+110,925,000	−167,117,000	+624,650,000	−15,300,000
Regional Development Program									
Regional development programs	62,825,000	43,838,000		44,338,000	43,838,000	−18,987,000		+43,838,000	−500,000
International Trade Administration									
Operations and administration	81,470,000	116,733,000	115,000,000	107,500,000	107,500,000	+26,030,000	−9,233,000	−7,500,000	
Minority Business Development Agency									
Minority business development	58,689,000	59,671,000	59,600,000	59,600,000	59,600,000	+911,000	−71,000		
U.S. Travel Service									
Salaries and expenses	8,000,000			8,000,000	8,000,000		+8,000,000	+8,000,000	
National Oceanic and Atmospheric Administration									
Operations, research, and facilities	722,350,000	751,751,000	728,475,000	772,830,000	759,367,000	+37,017,000	+7,616,000	+30,892,000	−13,463,000
By transfer	(5,000,000)		(10,000,000)	(15,000,000)	(15,000,000)	(+10,000,000)	(+15,000,000)	(+5,000,000)	
Subtotal, obligational authority	(727,350,000)	(751,751,000)	(738,475,000)	(787,830,000)	(774,367,000)	(+47,017,000)	(+22,616,000)	(+35,892,000)	(−13,463,000)
Coastal zone management	70,125,000	52,335,000	51,085,000	52,335,000	51,585,000	−18,540,000	−750,000	+500,000	−750,000
Fishing vessel and gear damage compensation fund	3,500,000	3,500,000	3,000,000	3,500,000	3,250,000	−250,000	−250,000	+250,000	−250,000
Fishermen's contingency fund	600,000	600,000	500,000	600,000	500,000	−100,000	−100,000		−100,000
Fishermen's guaranty fund	930,000					−930,000			
Coastal energy impact fund (rescission)	−35,400,000					+35,400,000			
Total, National Oceanic and Atmospheric Administration	762,105,000	808,186,000	783,060,000	829,265,000	814,702,000	+52,597,000	+6,516,000	+31,642,000	−14,563,000
Patent and Trademark Office									
Salaries and expenses	105,003,000	112,793,000	112,000,000	113,100,000	112,550,000	+7,547,000	−243,000	+550,000	−550,000
Science and Technical Research									
Scientific and technical research and services	99,228,000	121,086,000	113,100,000	115,000,000	113,100,000	+13,872,000	−7,986,000		−1,900,000

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION ACT, 1981 (H.R. 7584)—Continued

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY—Continued

[Amounts in dollars]

	New budget authority					Conference agreement compared with—			
	Enacted fiscal year 1980	Estimates fiscal year 1981	House fiscal year 1981	Senate fiscal year 1981	Conference fiscal year 1981	Fiscal year 1980 enacted	Fiscal year 1981 estimate	House bill	Senate bill
National Telecommunications and Information Administration									
Salaries and expenses	17,666,000	17,473,000	17,400,000	17,400,000	17,400,000	−266,000	−73,000		
Public telecommunications facilities, planning and construction	23,705,000	21,705,000	23,705,000	27,705,000	25,705,000	+2,000,000	+4,000,000	+2,000,000	−2,000,000
Total, National Telecommunications and Information Administration	41,371,000	39,178,000	41,105,000	45,105,000	43,105,000	+1,734,000	+3,927,000	+2,000,000	−2,000,000
Maritime Administration									
Ship construction	101,000,000	150,000,000	135,000,000	135,000,000	135,000,000	+34,000,000	−15,000,000		
Operating-differential subsidies (appropriation to liquidate contract authority)	(300,515,000)	(333,196,000)	(333,196,000)	(333,196,000)	(333,196,000)	(+32,681,000)			
Research and development	16,300,000	16,300,000	16,300,000	16,300,000	16,300,000				
Operations and training	66,929,000	65,006,000	66,400,000	64,726,000	65,550,000	−1,379,000	+544,000	−850,000	+824,000
Total, Maritime Administration	184,229,000	231,306,000	217,700,000	216,026,000	216,850,000	+32,621,000	−14,456,000	−850,000	+824,000
General Provisions: Consultant services reduction				−1,560,000					+1,560,000
Total, title III, Department of Commerce:									
New budget (obligational) authority	2,727,035,000	2,653,281,000	1,739,715,000	2,477,344,000	2,442,170,000	−284,865,000	−211,111,000	+703,455,000	−35,174,000
Appropriations	2,762,435,000	2,653,281,000	1,739,715,000	2,477,344,000	2,442,170,000	−320,265,000	−211,111,000	+702,455,000	−35,174,000
Rescissions	−35,400,000					+35,400,000			
Liquidation of contract authorization	(300,515,000)	(333,196,000)	(333,196,000)	(333,196,000)	(333,196,000)	(+32,681,000)			
TITLE IV—THE JUDICIARY									
Supreme Court of the United States									
Salaries and expenses	10,250,000	11,140,000	11,140,000	11,140,000	11,140,000	+890,000			
By transfer	(113,000)					(−113,000)			
Subtotal, obligational authority	(10,363,000)	(11,140,000)	(11,140,000)	(11,140,000)	(11,140,000)	(+777,000)			
Care of the building and grounds	2,157,000	1,526,000	1,526,000	1,526,000	1,526,000	−631,000			
By transfer	(25,000)					(−25,000)			
Subtotal, obligational authority	(2,182,000)	(1,526,000)	(1,526,000)	(1,526,000)	(1,526,000)	(−656,000)			
Total, Supreme Court of the United States	12,407,000	12,666,000	12,666,000	12,666,000	12,666,000	+259,000			
Court of Customs and Patent Appeals									
Salaries and expenses	1,719,000	1,839,000	1,839,000	1,839,000	1,839,000	+120,000			
By transfer	(91,000)					(−91,000)			
Subtotal, obligational authority	(1,810,000)	(1,839,000)	(1,839,000)	(1,839,000)	(1,839,000)	(+29,000)			
Customs Court									
Salaries and expenses	4,850,000	5,036,000	5,036,000	5,036,000	5,036,000	+186,000			
By transfer	(91,000)					(−91,000)			
Subtotal, obligational authority	(1,941,000)	(5,036,000)	(5,036,000)	(5,036,000)	(5,036,000)	(+95,000)			
Court of Claims									
Salaries and expenses	5,230,000	5,598,000	5,526,000	5,526,000	5,526,000	+296,000	−72,000		
By transfer	(239,000)					(−239,000)			
Subtotal, obligational authority	(5,469,000)	(5,598,000)	(5,526,000)	(5,526,000)	(5,526,000)	(+57,000)	(−72,000)		
Courts of Appeals, District Courts, and other Judicial Services									
Salaries of judges	48,500,000	54,852,000	54,500,000	54,500,000	54,500,000	+6,000,000	−352,000		
By transfer	(3,600,000)					(−3,600,000)			
Subtotal, obligational authority	(52,100,000)	(54,852,000)	(54,500,000)	(54,500,000)	(54,500,000)	(+2,400,000)	(−352,000)		
Salaries of supporting personnel	195,700,000	220,288,000	212,000,000	215,981,000	214,181,000	+18,481,000	−6,107,000	+2,181,000	−1,800,000
By transfer	(8,000,000)					(−8,000,000)			
Subtotal, obligational authority	(203,700,000)	(220,288,000)	(212,000,000)	(215,981,000)	(214,181,000)	(+10,481,000)	(−6,107,000)	(+2,181,000)	(−1,800,000)
Defender services	26,000,000	26,000,000	24,000,000	24,000,000	24,000,000	−2,000,000	−2,000,000		
Fees of jurors and commissioners	34,000,000	36,937,000	36,000,000	36,000,000	36,000,000	+2,000,000	−937,000		
Travel and miscellaneous expenses	36,800,000	42,434,000	41,350,000	41,827,000	41,827,000	+4,027,000	−607,000	+477,000	
Salaries and expenses of magistrates	22,000,000	23,851,000	23,851,000	23,851,000	23,851,000	+1,851,000			
By transfer	(800,000)					(−800,000)			
Subtotal, obligational authority	(22,800,000)	(23,851,000)	(23,851,000)	(23,851,000)	(23,851,000)	(+1,051,000)			
Bankruptcy courts, salaries and expenses	58,500,000	65,299,000	62,000,000	64,410,000	62,794,000	+4,294,000	−2,505,000	+794,000	−1,616,000
By transfer				(1,200,000)	(1,200,000)	(+1,200,000)	(+1,200,000)	(+1,200,000)	
Transfer out	(−1,988,000)					(+1,988,000)			
Subtotal, obligational authority	(56,512,000)	(65,299,000)	(62,000,000)	(64,410,000)	(62,794,000)	(+6,282,000)	(−2,505,000)	(+794,000)	(−1,616,000)
Services for drug dependent offenders	3,500,000	3,645,000	3,645,000	3,645,000	3,645,000	+145,000			
Space and facilities	117,500,000	126,564,000	120,000,000	120,672,000	120,000,000	+2,500,000	−6,564,000		−672,000
Transfer out	(−12,638,000)					(+12,638,000)			
Subtotal, obligational authority	(104,862,000)	(126,564,000)	(120,000,000)	(120,672,000)	(120,000,000)	(+15,138,000)	(−6,564,000)		(−672,000)

	New budget authority					Conference agreement compared with—			
	Enacted fiscal year 1980	Estimates fiscal year 1981	House fiscal year 1981	Senate fiscal year 1981	Conference fiscal year 1981	Fiscal year 1980 enacted	Fiscal year 1981 estimate	House bill	Senate bil
Pretrial services agencies (by transfer)	(900,000)					(−900,000)			
Total, courts of appeals, district courts, and other judicial services	543,500,000	599,870,000	577,346,000	584,886,000	580,798,000	+37,298,000	−19,072,000	+3,452,000	−4,088,000
Administrative Office of the U.S. Courts									
Salaries and expenses	15,100,000	16,906,000	16,275,000	16,275,000	16,275,000	+1,175,000	−631,000		
By transfer	(650,000)					(−650,000)			
Subtotal, obligational authority	(15,750,000)	(16,906,000)	(16,275,000)	(16,275,000)	(16,275,000)	(+525,000)	(−631,000)		
FEDERAL JUDICIAL CENTER									
Salaries and expenses	8,500,000	9,376,000	9,000,000	9,000,000	9,000,000	+500,000	−376,000		
By transfer	(117,000)					(−117,000)			
Subtotal, obligational authority	(8,617,000)	(9,376,000)	(9,000,000)	(9,000,000)	(9,000,000)	(+383,000)	(−376,000)		
Total, title IV, new budget (obligational) authority, the judiciary	591,306,000	651,291,000	627,688,000	635,228,000	631,140,000	+39,834,000	−20,151,000	+3,452,000	−4,088,000
TITLE V—RELATED AGENCIES									
Arms Control and Disarmament Agency									
Arms control and disarmament activities	18,270,000	19,749,000	18,500,000	18,500,000	18,500,000	+230,000	−1,249,000		
(rescission)	−720,000					+720,000			
Subtotal, obligational authority	17,550,000	19,749,000	18,500,000	18,500,000	18,500,000	+950,000	−1,249,000		
Board for International Broadcasting									
Grants and expenses	89,470,000	103,827,000	99,700,000	99,700,000	99,700,000	+10,230,000	−4,127,000		
Commission on Civil Rights									
Salaries and expenses	11,719,000	11,988,000	11,988,000	11,719,000	11,853,000	+134,000	−135,000	−135,000	+134,000
Commission on Security and Cooperation in Europe									
Salaries and expenses	264,000	450,000	450,000	450,000	450,000	+186,000			
Commission on Wartime Relocation and Internment of Civilians									
Salaries and expenses				1,000,000	1,000,000	+1,000,000	+1,000,000	+1,000,000	
Department of the Treasury									
Chrysler Corporation Loan Guarantee Program:									
Chrysler Corp., Loan Guarantee Program	1,500,000,000					−1,500,000,000			
Administrative expenses	1,518,000	1,320,000	1,320,000	1,320,000	1,320,000	−198,000			
Subtotal, obligational authority	1,501,518,000	1,320,000	1,320,000	1,320,000	1,320,000	−1,500,198,000			
Equal Employment Opportunity Commission									
Salaries and expenses	124,562,000	143,037,000	141,454,000	140,000,0000	140,000,000	+15,438,000	−3,037,000	−1,454,000	
Federal Communications Commission									
Salaries and expenses	76,747,000	76,080,000	76,000,000	79,000,000	76,926,000	+179,000	+846,000	+926,000	−2,074,000
Federal Maritime Commission									
Salaries and expenses	11,300,000	12,056,000	12,000,000	12,000,000	12,000,000	+700,000	−56,000		
Federal Trade Commission									
Salaries and expenses	50,700,000	71,631,000	71,000,000	71,000,000	71,000,000	+20,300,000	−631,000		
By transfer	(15,600,000)					(−15,600,000)			
Subtotal, obligational authority	(66,300,000)	(71,631,000)	(71,000,000)	(71,000,000)	(71,000,000)	(+4,700,000)	(−631,000)		
International Communication Agency									
Salaries and expenses	409,003,000	419,350,000	421,100,000	419,000,000	419,000,000	+9,997,000	−350,000	−2,100,000	
By transfer	(113,673)					(−113,673)			
Transfer out	(−12,100,000)					(+12,100,000)			
Subtotal, obligational authority	(397,016,673)	(419,350,000)	(421,100,000)	(419,000,000)	(419,000,000)	(+21,983,327)	(−350,000)	(−2,100,000)	
Salaries and expenses (special foreign currency)	13,012,000	10,603,000	10,603,000	10,603,000	10,603,000	−2,409,000			
Transfer out	(−113,673)					(+113,673)			
Subtotal, obligational authority	(12,898,327)	(10,603,000)	(10,603,000)	(10,603,000)	(10,603,000)	(−2,295,327)			
Center for cultural and technical interchange between East and West	14,667,000	15,752,000	15,400,000	15,750,000	15,750,000	+1,083,000	−2,000	+350,000	
Acquisition and construction of radio facilities	2,400,000	2,562,000	2,562,000	2,562,000	2,562,000	+162,000			
General provisions: Consultant services reduction				−68,000					+68,000
Total, International Communication Agency	439,082,000	448,267,000	449,665,000	447,847,000	447,915,000	+8,833,000	−352,000	−1,750,000	+68,000

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION ACT, 1981 (H.R. 7584)—Continued

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY—Continued

[Amounts in dollars]

	New budget authority					Conference agreement compared with—			
	Enacted fiscal year 1980	Estimates fiscal year 1981	House fiscal year 1981	Senate fiscal year 1981	Conference fiscal year 1981	Fiscal year 1980 enacted	Fiscal year 1981 estimate	House bill	Senate bill
International Trade Commission									
Salaries and expenses	15,530,000	16,981,000	16,715,000	16,863,000	16,715,000	+1,185,000	−266,000		−148,000
Japan—U.S. Friendship Commission									
Japan—United States Friendship Trust Fund	1,500,000	1,998,000	1,998,000	1,998,000	1,998,000	+498,000			
Foreign currency appropriation	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)				
Legal Services Corporation									
Payment to the Legal Services Corporation	300,000,000	353,000,000	321,300,000	300,000,000	321,300,000	+21,300,000	−31,700,000		+21,300,000
Marine Mammal Commission									
Salaries and expenses	940,000	634,000	634,000	934,000	734,000	−206,000	+100,000	+100,000	−200,000
Office of the U.S. Trade Representative									
Salaries and expenses	8,026,000	9,173,000	9,100,000	9,170,000	9,100,000	+1,074,000	−73,000		−70,000
Presidential Commission on World Hunger									
Salaries and expenses	975,000					−975,000			
Securities and Exchange Commission									
Salaries and expenses	72,865,000	76,095,000	76,350,000	77,100,000	76,350,000	+3,485,000	+255,000		−750,000
Select Commission on Immigration and Refugee Policy									
Salaries and expenses	1,600,000	427,000	427,000	550,000	550,000	−1,050,000	+123,000	+123,000	
Small Business Administration									
Salaries and expenses	190,600,000	222,645,000	222,645,000	222,388,000	222,645,000	+32,045,000			+257,000
By transfer	(16,650,000)					(−16,650,000)			
Subtotal, obligational authority	(207,250,000)	(222,645,000)	(222,645,000)	(222,388,000)	(222,645,000)	(+15,395,000)			(+257,000)
Business loan and investment fund	565,000,000	678,000,000	678,000,000	588,500,000	609,000,000	+44,000,000	−69,000,000	−69,000,000	+20,500,000
Disaster loan fund	1,237,000,000	180,000,000	187,000,000			−1,237,000,000	−180,000,000	−187,000,000	
Authority to borrow			100,000,000		100,000,000	+100,000,000	+100,000,000		+100,000,000
Transfer out	(−16,650,000)					(+16,650,000)			
Subtotal, obligational authority	(1,220,350,000)	(180,000,000)	(287,000,000)		(100,000,000)	(−1,120,350,000)	(−80,000,000)	(−187,000,000)	(+100,000,000)
Lease guarantees revolving fund	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000				
Surety bond guarantees revolving fund		30,000,000	30,000,000	30,000,000	30,000,000	+30,000,000			
General provisions: Consultant services reduction				−1,043,000					+1,043,000
Total, Small Business Administration	1,996,600,000	1,114,645,000	1,221,645,000	843,845,000	965,645,000	−1,030,955,000	−149,000,000	−256,000,000	+121,800,000
U.S. Metric Board									
Salaries and expenses	2,547,000	3,691,000	2,800,000	2,616,000	2,708,000	+161,000	−983,000	−92,000	+92,000
Total, title V, new budget (obligational) authority, related agencies	4,723,495,000	2,465,049,000	2,533,046,000	2,135,612,000	2,275,764,000	−2,447,731,000	−189,285,000	−257,282,000	+140,152,000
Appropriations	4,724,215,000	2,465,049,000	2,433,046,000	2,135,612,000	2,175,764,000	−2,548,451,000	−289,285,000	−257,282,000	+40,152,000
Rescissions	−720,000					+720,000			
Authority to borrow			100,000,000		100,000,000	+100,000,000	+100,000,000		+100,000,000
RECAPITULATION									
Grand total:									
New budget (obligational) authority	11,920,487,554	9,666,387,000	8,719,198,000	9,057,718,000	9,131,056,000	−2,789,431,554	−535,331,000	+411,858,000	+73,338,000
Appropriations	11,961,047,000	9,666,387,000	8,619,198,000	9,057,718,000	9,031,056,000	−2,929,991,000	−635,331,000	+411,858,000	−26,662,000
Rescissions	−40,559,446					+40,559,446			
Authority to borrow			100,000,000		100,000,000	+100,000,000	+100,000,000		+100,000,000
Limitation on expenses	(4,966,000)	(4,736,000)	(4,736,000)	(4,736,000)	(4,736,000)	(−230,000)			
By transfer	(112,188,673)		(10,828,000)	(17,028,000)	(17,028,000)	(−95,160,673)	(+17,028,000)	(+6,200,000)	
Transfer out	(−110,258,673)					(+110,258,673)			
Memoranda:									
(Appropriations to liquidate contract authorizations)	(300,515,000)	(333,196,000)	(333,196,000)	(333,196,000)	(333,916,000)	(+32,681,000)			
Total appropriations, including appropriations to liquidate contract authorizations	12,221,002,554	9,999,583,000	9,052,394,000	9,390,914,000	9,464,252,000	−2,756,750,554	−535,331,000	+411,858,000	+73,338,000
Department of State	1,403,251,000	1,649,632,000	1,565,608,000	1,591,397,000	1,564,708,000	+161,457,000	−84,924,000	−900,000	−26,689,000
Department of Justice	2,475,400,554	2,247,134,000	2,253,141,000	2,218,137,000	2,217,274,000	−258,126,554	−29,860,000	−35,867,000	−863,000
Department of Commerce	2,727,035,000	2,653,281,000	1,739,715,000	2,477,344,000	2,442,170,000	−284,865,000	−211,111,000	+702,455,000	−35,174,000
The Judiciary	591,306,000	651,291,000	627,688,000	635,228,000	631,140,000	+39,834,000	−20,151,000	+3,452,000	−4,088,000
Related agencies:									
Arms Control and Disarmament Agency	17,550,000	19,749,000	18,500,000	18,500,000	18,500,000	+950,000	−1,249,000		
Board for International Broadcasting	89,470,000	103,287,000	99,700,000	99,700,000	99,700,000	+10,230,000	−4,127,000		
Commission on Civil Rights	11,719,000	11,988,000	11,988,000	11,719,000	11,853,000	+134,000	−135,000	−135,000	+134,000
Commission on Security and Cooperation in Europe	264,000	450,000	450,000	450,000	450,000	+186,000			
Commission on Wartime Relocation and Internment of Civilians				1,000,000	1,000,000	+1,000,000	+1,000,000	+1,000,000	
Chrysler Corporation	1,501,518,000	1,320,000	1,320,000	1,320,000	1,320,000	−1,500,198,000			

	New budget authority					Conference agreement compared with—			
	Enacted fiscal year 1980	Estimates fiscal year 1981	House fiscal year 1981	Senate fiscal year 1981	Conference fiscal year 1981	Fiscal year 1980 enacted	Fiscal year 1981 estimate	House bill	Senate bill
Equal Employment Opportunity Commission	124,562,000	143,037,000	141,454,000	140,000,000	140,000,000	+15,438,000	−3,037,000	−1,454,000	----------
Federal Communications Commission	76,747,000	76,080,000	76,000,000	79,000,000	76,926,000	+179,000	+846,000	+926,000	−2,074,000
Federal Maritime Commission	11,300,000	12,056,000	12,000,000	12,000,000	12,000,000	+700,000	−56,000	----------	----------
Federal Trade Commission	50,700,000	71,631,000	71,000,000	71,000,000	71,000,000	+20,300,000	−631,000	----------	----------
International Communication Agency	439,082,000	448,267,000	449,665,000	447,847,000	447,915,000	+8,833,000	−352,000	−1,750,000	+68,000
International Trade Commission	15,530,000	16,981,000	16,715,000	16,863,000	16,715,000	+1,815,000	−266,000	----------	−148,000
Japan-U.S. Friendship Commission	1,500,000	1,998,000	1,998,000	1,998,000	1,998,000	+498,000	----------	----------	----------
Legal Services Corporation	300,000,000	353,000,000	321,300,000	300,000,000	321,300,000	+21,300,000	−31,700,000	----------	+21,300,000
Marine Mammal Commission	940,000	634,000	634,000	934,000	734,000	−206,000	+100,000	+100,000	−200,000
Office of the U.S. Trade Representative	8,026,000	9,173,000	9,100,000	9,170,000	9,100,000	+1,074,000	−73,000	----------	−70,000
Presidential Commission on World Hunger	975,000	----------	----------	----------	----------	−975,000	----------	----------	----------
Securities and Exchange Commission	72,865,000	76,095,000	76,350,000	77,100,000	76,350,000	+3,485,000	+255,000	----------	−750,000
Select Commission on Immigration and Refugee Policy	1,600,000	427,000	427,000	550,000	550,000	−1,050,000	+123,000	+123,000	----------
Small Business Administration	1,996,600,000	1,114,645,000	1,221,645,000	843,845,000	965,645,000	−1,030,955,000	−149,000,000	−256,000,000	+121,800,000
U.S. Metric Board	2,547,000	3,691,000	2,800,000	2,616,000	2,708,000	+161,000	−983,000	−92,000	+92,000
Grand total	11,920,487,554	9,666,387,000	8,719,198,000	9,057,718,000	9,131,056,000	−2,789,431,554	−535,331,000	+411,859,000	+73,338,000

Mr. HOLLINGS. Mr. President, I am ready to respond to any questions the Members may have on this conference report. However, I will first yield to our ranking minority member.

Mr. WEICKER. Mr. President, the distinguished chairman of the subcommittee, the Senator from South Carolina, has presented a comprehensive and accurate summary of the bill and the conference report.

The bill (H.R. 7584) making appropriations for the Departments of State, Justice, and Commerce, the judiciary, and related agencies for the fiscal year ending September 30, 1981, and for other purposes, as agreed to by the conferees, is the product of many hours of close scrutiny by both Houses. Both bodies have had their difficulties in presenting a conference report to our respective Chambers. The bill was passed by the House on July 23 after being considered for 5 days. The Senate passed this on November 17, again after 5 days of floor debate.

While the bill contains a total of $9,131,056,000 in new budget authority for fiscal year 1981 and is $73,338,000 above the bill as passed by the Senate, there are several items in the conference report which deserve mention. Naturally, as in any conference, there must be a compromise. Out of 94 amendments in disagreement both bodies had to give a little to settle these differences.

The Senate receded to the House which denied funding for the following items:

First, $26,973,000 for the 1981 assessment for the International Labor Organization of the United Nations.

Second, $2,000,000 to fund the dispute resolution resource center in the Justice Department.

Third, $2,000,000 for acid rain research within the National Oceanic and Atmospheric Administration; and

Fourth, furthermore, the conferees deleted the Senate language which would have prohibited the Federal Communications Commission from moving their headquarters location outside the District of Columbia.

However, the Senate was able to secure funding of $4,100,000 for the Asia Foundation, $9,500,000 for State and local organized crime/narcotics enforcement grants, and $624,650,000 for the Economic Development Administration whose reauthorization was recently approved by both bodies.

The Senate conferees were successful in obtaining additional funding for certain programs supported by the National Oceanic and Atmospheric Administration which are of particular concern to several of my colleagues, including the following items:

First, $1,075,000 for manned undersea facilities;

Second, $6,400,000 for the National Oceanic Satellite System (NOSS);

Third, $800,000 for a salmon tagging project.

Fourth, $2,000,000 for anadromous fishing grants to States.

Fifth, $750,000 for research studies on striped bass; and

Sixth, $15,000,000 for a buyback program for salmon fishing vessels, licenses and gear in Washington and Oregon.

Concerning the general language provisions of the bill, the conferees deleted the Senate language which would have prohibited the President from enforcing the grain embargo to the Soviet Union. This was done to allow President-elect Reagan to make his own judgment on the matter.

Finally, the conferees deleted the language which insured that nothing in the bill would prohibit the Department of Justice from initiating or participating in litigation to secure remedies for violation of the 5th and 14th amendments to the Constitution except for busing. I will have more to say about this in a few minutes.

Mr. President, I would also like to highlight some of the important provisions included in the Small Business Administration portion of this appropriation.

Under the salary and expense account for the Small Business Administration, priorities established in the Senate bill are retained by this conference agreement. The Congress, and particularly the Senate, has, over the past 3 years, emphasized the nonlending programs of the SBA in authorizing and appropriations legislation. This appropriation continues to place a priority on these assistance programs by increasing the funding for advocacy, procurement and management assistance and minority small business assistance programs. The SBA can play a significant role in insuring the health of the small business sector through the assistance these programs provide.

Of particular interest are the provisions included in this conference agreement dealing with assistance to women entrepreneurs. The Senate bill included $5.6 million for women's business programs. This amount is included in the conference agreement. The conferees also noted that while increased assistance to women entrepreneurs is necessary, this assistance can best be delivered through existing program structures. Sufficient funds are also provided to maintain present staff to assist the Administrator in developing policies and coordinating assistance the agency will provide to meet the needs of women entrepreneurs. The conference agreement includes $9.5 million for the small business development center program. This amount is $1.5 million above the amount included in the Senate bill. However, a review of current program operations and the prospect of a number of SBDC applications gaining approval in 1981 justify the $9.5 million appropriation for this important program.

Also included in the conference agreement are increases for many of the agency's lending programs. Lending to businesses owned by or operated for the benefit of handicapped individuals will increase 25 percent in 1981. Assistance to small firms in the energy industry and minority enterprise small business investment companies is also increased by the bill.

Finally, Mr. President, the conference agreement basically retains an amendment offered by Senator NUNN and myself to increase SBA's authority to guarantee debentures issued by local and State development companies. These development companies can play an important role in the revitalization of the small business sector, especially in urban areas. While the original amendment in-

creased this guarantee authority from $100 to $400 million, the conference agreement includes $250 million for development company guarantees, a significant increase over the amount originally allowed in the bill.

The chairman is to be commended for an exceptional job. His persistence and close attention were responsible for total spending in the bill to be below our budget allocation.

Mr. HOLLINGS. Mr. President, I move the adoption of the conference report.

The PRESIDING OFFICER (Mr. PRYOR). The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The clerk will state the first amendment in disagreement.

The assistant legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 3 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert:

THE ASIA FOUNDATION

For a grant to the Asia Foundation, $4,100,000, to remain available until expended, notwithstanding section 15(a) of the act entitled "An act to provide certain basic authority for the Department of State", approved August 1, 1956.

Mr. HOLLINGS. Can we move to agree to the other amendments in disagreement en bloc?

Mr. WEICKER. If my distinguished chairman from South Carolina would move to consider amendments numbered 3 through 82, I would have no objection.

Mr. HOLLINGS. All but 89.

Mr. WEICKER. Let us go through 3 through 82, and I intend to amend 89, and let us see what happens.

Mr. HOLLINGS. Nos. 3 through 82. I think we can get unanimous consent.

The PRESIDING OFFICER. The only amendments in disagreement are amendments 3, 28, 31, 49, 74, 75, 82, and 89.

Mr. WEICKER. No. As to 89, I ask——

Mr. HOLLINGS. We are asking for concurrence en bloc only as to amendments 3, 28, 31, 49, 74, 75, and 82.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The amendments agreed to en bloc are as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 3 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment, insert:

THE ASIA FOUNDATION

For a grant to the Asia Foundation, $4,100,000, to remain available until expended, notwithstanding section 15(a) of the Act entitled "An Act to provide certain basic authority for the Department of State", approved August 1, 1956.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 28 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment, insert:

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For economic development and adjustment assistance as authorized by the Public Works and Economic Development Act of 1965, as amended, and title II of the Trade Act of 1974, $624,650,000: *Provided,* That during 1981 and within the resources and authority available, gross obligations for the principal amount of direct loans shall not exceed $116,430,000: *Provided further,* That during 1981, total commitments to guarantee loans shall not exceed $425,000,000 of contingent liability for loan principal.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 31 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment, insert:

REGIONAL DEVELOPMENT PROGRAMS

For necessary expenses to carry out the programs authorized by title of the Public programs authorized by title V of the Public 1965, as amended, $43,838,000, to remain available until expended.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 49 to the aforesaid bill, and concur therein with an amendment as follows: Strike out the matter stricken and inserted by said amendment, and insert: $63,-994,000 of which $1,200,000 shall be derived by transfer from the appropriation Speedy Trial Planning

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 74 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment, insert:

Provided further, That sufficient funding shall be made available from the Business Loan and Investment Fund to allow guarantee authority of up to $250,000,000 under the section 503 program of the Small Business Investment Act, as amended

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 75 to the aforesaid bill, and concur therein with an amendment as follows: Strike out the matter stricken by said amendment, and insert:

DISASTER LOAN FUND

For the purposes of making loans through the "Disaster loan fund", authorized by the Small Business Act, the Small Business Administration may borrow from the Secretary of the Treasury up to $100,000,000 as authorized by section 4(e)(5)(A) of the Small Business Act: *Provided,* That not more than $4,000,000 shall be made available for the sole purpose of providing disaster loans under section 7(b)(9) of the Small Business Act to any small business which suffered substantial economic injury due to the cancellation of United States participation in the 1980 Summer Olympic Games which shall be deemed an economic dislocation.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 82 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment, insert:

SEC. 612. Notwithstanding any other provision of this Act, the amounts otherwise available to agencies under this Act for the procurement of consultant services shall be reduced by the following amounts: Department of Commerce, $1,550,000; International Communication Agency, $68,000; Department of Justice, $1,880,000; Department of State, $284,000; and Small Business Administration, $1,043,000.

The PRESIDING OFFICER. The clerk will now state the last amendment in disagreement.

The legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 89 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment, insert:

If any provision of this Act or the application of such provision to any person or circumstances shall be held invalid, the remainder of the Act and the application of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

UP AMENDMENT NO. 1815

(Purpose: To ensure that the legislative branch does not encroach upon either the executive branch or the judicial branch)

Mr. WEICKER. Mr. President, I move to concur in the amendment of the House to the amendment of the Senate with an amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Connecticut (Mr. WEICKER) proposes an unprinted amendment numbered 1815 to amendment numbered 89:

At the end of the amendment add the following:

Nothing in this Act shall be interpreted to limit in any manner the Department of Justice in enforcing the Constitution of the United States nor shall anything in this Act be interpreted to modify or diminish the authority of the courts of the United States to enforce fully the Constitution of the United States.

Mr. WEICKER. Mr. President, I move the adoption of my amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. HOLLINGS. Mr. President, at this time, while the distinguished Senator from North Carolina reviews his course of action, I have some remarks in opposition to the amendment.

I voted for this amendment, I believe—this language—when we considered the bill in full. However, as chairman of the conference, and in consideration of the conference report, I believe that I should remain loyal to the report, without amendments, if at all possible.

In this respect, Mr. President, the first part of the amendment is similar to the original Weicker amendment to section 607 before Senator HELMS' exception for busing cases was added. The Senate receded on the Weicker-Helms amendment in conference on the bill, with Senator WEICKER's approval.

I am not trying to test Senator WEICKER's present strategy, or whatever

it is, but the question in the conference was: Since in essence the Collins language was undisputed and would be in both sections, do we want to insist on the Weicker-Helms amendment and thereby cause a separate vote in the House? Generally speaking, I thought we were doing the right thing in the conference rather than now having further amendments.

We hope to get this bill to the President and see what he is going to do about it. The Attorney General has indicated that he would recommend a veto of H.R. 7584 if it contains section 607. I have not discussed this with the President of the United States but others at the White House have said that the normal course is for the President to receive recommendations from the Attorney General and other interested parties, and then make his judgment. The President has not made any indication of his position at this time.

I have been trying at least to enlighten my colleagues in the Senate. I have done my best, and that is all I can do.

With regard to the second section of the Senator's amendment, nothing in section 607 would modify or diminish the authority of the courts. The adoption of this amendment would send the bill back to the House, and it is not likely that the House would accept the amendment. Another conference would be required, and it is likely we would meet with the same result as the previous attempt by my distinguished colleague to add language to section 607.

Time is running out. We should send the bill to the President, if we possibly can, to see what action he cares to take, rather than to delay the bill and insure a sort of pocket veto.

We will be taking up the continuing resolution later this week, and we should know the fate of the State-Justice-Commerce bill before we have to make a final decision on the continuing resolution.

So I hope that the distinguished Senator will not press too hard or too successfully.

Mr. WEICKER. Mr. President, I will read again what is being proposed. I find it incredible that anybody could not vote for this amendment as is.

The Collins language remains in the conference report. I will now read the amendment:

> Nothing in this Act shall be interpreted to limit in any manner the Department of Justice in enforcing the Constitution of the United States nor shall anything in this Act be interpreted to modify or diminish the authority of the courts of the United States to enforce fully the Constitution of the United States.

Believe me, if this goes over to the House and the House does not vote for this, they all ought to resign from office.

Mr. HOLLINGS. The trouble is that they will not vote for it and they will not resign. That is our problem.

Mr. WEICKER. Let us put them to the test.

In other words, what I believe this does to the conference report is to accommodate both points of view. The Collins language is the message from Congress as to what the feeling of Congress was about busing as a remedy.

By the same token, the Weicker amendment preserves the constitutionality of the conference report, which should be of some concern, I should think, to my colleagues, in the U.S. Senate.

I hope we can adopt this amendment. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. WEICKER. But I would hope that we could get this passed, just so everyone reaffirms their oath of office to the Constitution of the United States on the House side. In effect, the conference report includes the thoughts eloquently articulated by the distinguished Senator from North Carolina while at the same time embodying the thoughts articulated by the Senator from Connecticut as to constitutionality.

I hope that my colleagues will see it in the same light.

I yield to my distinguished colleague from the State of Maryland.

Mr. MATHIAS. Mr. President, I wholeheartedly support the amendment and applaud the Senator from Connecticut for having offered this amendment.

It seems to me, in addition to all the substantive arguments that can be made, we should not slip into the practice of legislating through the appropriations process. If we are going to make substantive changes in national policy, those substantive changes should come through the normal legislative mill in which there are hearings, various views are laid on the table, and a record is compiled from which the country can draw its conclusions.

But if we are going to use the appropriations process as the ultimate policy instrument of the Senate, then we have deviated a long way from the constitutional concept of the Senate as the world's greatest deliberative body.

So I think what the Senator from Connecticut envisions here in his amendment is on target both in substance and from a procedural point of view.

Mr. WEICKER. I thank my distinguished colleague from Maryland.

I do not wish to get into a prolonged debate or a repetition of the debates that took place in the Chamber previously. But I think it important now to clearly point out the importance of the Constitution to every point of view within this body. It is important to point out to the Nation and to every point of view held within the Nation the importance of the Constitution of the United States and the strict construction of that document.

I read some absurd statement by I think a James Kilpatrick where he states that Congress should exercise the power of the purse in telling the courts what to do.

That is a rather interesting proposition. I hope when Mr. Kilpatrick's day comes in court he will be able to have a hearing free of Congress or any politician in this country.

Congress can control the policies of this Nation through the power of the purse. No one is going to argue that point.

But to say Congress is going to control the decisions of the courts of this land is both dangerous doctrine, and stupid reasoning. Mr. Kilpatrick is neither dangerous nor stupid, so I can only assume his rhetoric is inspired by a desire to sell his column.

The courts are something that should stand, impervious to the philosophical and partisan changes that might take place in this Nation.

It is true that both the executive and the legislative branches of Government have the opportunity to affect the judicial branch in the sense of appointments. But once those appointments have been made it is absolutely essential that there be independence, that that body, the judicial branch, be capable of independent judgment. Independent of the legislative branch and independent of the executive branch.

To say that Congress through its power of the purse should influence the courts, which is I think a fairly accurate paraphrase of Mr. Kilpatrick's article and of the views held by others, is an argument that erodes the individual rights and liberties of every American regardless of viewpoint.

I am not going to get into the busing argument because this amendment does not attach to a busing section. It applies to the whole conference report. This says that the Constitution of the United States is going to be enforced. The only people who should object would be those who are afraid of the capacities of the courts and the Justice Department to enforce the Constitution of the United States.

If such is not contemplated then this must be a totally innocuous amendment.

I notice in an article which recently appeared in the New Republic they quote Robert Bork who the article termed a conservative scholar who served as a U.S. Solicitor General under Presidents Nixon and Ford:

> If some busing is essential in some cases to enforce a right, then it may be unconstitutional for Congress to forbid the President from asking for the only remedy available.

He understands exactly what was done in the original amendment.

As the distinguished Senator from Maryland says, if we want to change these policies then do it by constitutional amendment or through authorizing legislation. But not by this devious route, this mischievous route, this unconstitutional route.

The Constitution has to stand undiluted in what it guarantees to each one of us. It has to stand free from political attacks whether in this Chamber, the House of Representatives, or the White House. Why? Because it is the ultimate guarantor of all of our rights.

I do not intend, Mr. President, as has been rumored, to engage in prolonged debate on this conference report. I am perfectly satisfied to have an up-and-down vote on this amendment just as soon as those who are disposed to speak

against it have done so and then to move right to a vote on the conference report.

But I do not want to hear the talk I heard the last time the issue came to this Chamber, "Senator, we know you are right, but we are pretty sure the President will veto the bill, so we are going to vote against you; let the President take care of the problem."

Then I view my evening news and see where the President probably will not veto the bill because he feels the Supreme Court will handle the problem and then when the Supreme Court handles the problem everyone is going to jump up and down in this body and say, "You see the Supreme Court is legislating again." The time to address the problem is right here and now and not to wait for the President or the Supreme Court. Let Senators stand and say we want the Constitution of the United States enforced by the appropriate bodies within the constitutional structure. Those bodies are the Justice Department of the executive branch and the courts of the judicial branch.

So I hope my colleagues will see fit to agree to this amendment.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. HELMS. Mr. President, I thank the Chair for recognizing me.

I wish to pay my respects to my dear friend from Connecticut, Senator WEICKER. He never gives up. He is creative and imaginative in his efforts to undo what the Senate has done.

Senator WEICKER says this amendment has nothing to do with busing. It has everything to do with busing. I believe that he would look me in the eye and say the intent of this amendment is to leave that door ajar just a bit so the Justice Department, and others, can rush to the courts and try to figure out what Congress really meant when it passed this conference report as amended by the Weicker amendment.

So, Mr. President, let no Senator misunderstand what my good friend from Connecticut is doing. This amendment has to do with the action taken by the Senate and the House to say to the Justice Department bureaucrats and lawyers "No longer can you spend the taxpayers' money promoting forced busing in the United States." That is what the Senate said, that is what the House said, and now my good friend from Connecticut says let us just leave that door ajar so that there will be a question about it, and the lawyers can have a field day and clog up the courts a little bit more.

Mr. President, I have checked with a number of constitutional authorities. I mentioned one of them the other day at some length, former Senator Sam J. Ervin, Jr., of North Carolina who is recognized as a pretty good constitutional authority.

There is another whom I would mention today. His name is Raoul Berger. Dr. Berger is professor emeritus of Harvard Law School.

Dr. Berger, I believe, would identify himself as substantially to the political left of JESSE HELMS, but he is a man whom I admire and respect because he does know Constitutional law and he is regarded as one of the top constitutional scholars of this land.

I wish I could hear a debate between Raoul Berger and LOWELL WEICKER. Both of them are articulate, both of them are intelligent, and both of them are forthright. But I daresay that Raoul Berger would win.

I have a letter from Dr. Berger dated November 29, 1980. It says:

> DEAR SENATOR HELMS: The enclosed, a nutshell summary of my "Government by Judiciary: The Transformation of the Fourteenth Amendment" (Harvard Press, 1977), affords constitutional footing for proposed school-prayer, anti-busing, affirmative action measures, which in truth seek to effectuate the original intention of the framers of the Fourteenth Amendment.

Now, what does Raoul Berger say? Bear in mind, Mr. President, that about 10 or 11 years ago Raoul Berger was on the other side of this argument as to whether Congress had a right to proscribe the courts, whether Congress has got a right to say, "You shall not do more of this."

Dr. Berger made a 180-degree turn. Let me read what he said in an address before the National Organization on Legal Problems of Education, a speech he made on November 14, this year, in Boston:

> There is widespread dissatisfaction with the judicial takeover of functions confided by the Constitution to the States and the people. Concern over federal intrusion into the field of education, for example, busing, affirmative action, judicial administration of a school system, is but one facet of the problem. Others are perturbed by judicial administration of prisons which in effect supplants legislative discretion in making budgetary allocations. Still others decry interference with local control of pornography, abortions, the local administration of criminal law. The people reluctantly obey such decrees because they are told so the Constitution requires.

I might parenthetically state that is exactly what Senator WEICKER is doing. He is giving his opinion, and I respect his opinion, even though I do not agree with it. But because he does not like something does not automatically make it unconstitutional.

(Mr. EXON assumed the chair.)

Mr. HELMS. I think we ought to listen to the counsel of Raoul Berger and Sam Ervin and other constitutional scholars who are so recognized when they say that LOWELL WEICKER is a good guy but he is wrong.

Let me continue on with what Dr. Berger said in his speech in Boston on November 14. He asked the question:

> But what if the requirement is that of the justices rather than that of the Constitution?

Ah, Mr. President, there is the point. Some of us have been saying for years that the Federal courts have been legislating instead of adjudicating. That is precisely what has happened, and this Senate and House of Representatives are long overdue in putting their respective feet down and saying, "No more. This is a tripartite system of government. We are the representatives of the people. We have a right, we have a duty, to put an end to the demonstrable folly of forced busing which has been tormenting little children for no purpose whatsoever except to satisfy the whim and caprice of some Federal judge somewhere or some Federal bureaucrat or a whole nest of them in the Justice Department."

So the pending Weicker amendment is not an innocuous amendment. It seeks to create some question as to whether the Senate really meant it when it said "Stop this forced busing," or at least "Stop the Justice Department bureaucrats from promoting it."

But back to the address by Dr. Berger. He said:

> Ten days ago Professor Alan Dershowitz of Harvard, a former clerk of Justice Goldberg, and himself an activist, drew the curtains aside in a review of Justice Douglas' autobiography. He writes that the Supreme Court consists of 9 men "who are generally mediocre lawyers, often former politicians . . . almost always selected on the basis of political considerations." And he asks, "How, in a democratic society, can nine unelected and politically non-responsible men overrule the policy choices of state legislatures, Congress, popular referenda . . . ?" He recounts Chief Justice Hughes' advice to the neophyte Justice Douglas: "90% of any [constitutional] decision is emotional. The rational part of us supplies the reason for supporting our predilections." Then and there Douglas admitted to himself that "the 'gut' reactions of a judge at the level of constitutional adjudication . . . was the main ingredient of his decision." Why, I ask, should 100 million Americans who believe, for instance, that death penalties serve to deter murder, prefer Douglas' "gut reaction" to their own? We live under a government of laws, not of gut reactions. Under democratic principles a judge's gut reaction is no substitute for the will of the people. Dershowitz concludes that "There will never be an entirely satisfactory justification for the power of judges to overrule popular decisions." In fact that alleged power is demonstrably a usurpation.

I am still reading from the address by Dr. Berger, Mr. President, who goes on to say:

> The most immediate constitutional problem," Professor Philip Kurland has written, "is the usurpation by the judiciary of general governmental powers on the pretext that its authority derives from the Fourteenth Amendment.

So there we are, Mr. President. Here we are this morning making a judgment on precisely the point raised by Dr. Berger, who goes on to say:

> That, is not understood by the people, nor indeed by most lawyers. Before any steps can profitably be taken to restore government to the people, they must be instructed in the historical facts.
>
> At the height of Franklin Roosevelt's 1937 Court-packing campaign, Professor Felix Frankfurter wrote to him—

And here, Mr. President, Dr. Berger quotes Frankfurter:

> People have been taught to believe that when the Supreme Court speaks it is not they who speak but the Constitution, whereas, of course, in so many vital cases, it is they who speak and not the Constitution. And I verily believe that is what the country needs most to understand.

That was Felix Frankfurter writing to Franklin Roosevelt in 1937. How relevant it is today in so many instances, and particularly regarding this matter before the Senate right now.

But let me go on with another paragraph or so of the splendid address by Dr. Berger.

He said:

Robert Bork, former Solicitor General, observed that "The Supreme Court regularly insists that its results * * * do not spring from the mere will of the Justices in the majority but are supported, indeed compelled, by a proper understanding of the Constitution. * * * Value choices are attributed to the Founding Fathers. * * *."

We have heard that here today, at least inferentially.

"Value choices are attributed to the Founding Fathers, not to the Court." Were the people to understand that it is the Justices, not the Constitution, who require busing and affirmative action, govern abortion, impose limitations on State administration of criminal justice, they—

Meaning the people, Mr. President.

They would remedy the usurpation.

Now, the usurpation to which Dr. Berger refers is the runaway inclination by the Federal courts to legislate rather than adjudicate.

Let me say again, Mr. President, Raoul Berger is no conservative. I do not know what his party affiliation is. I believe years ago he absolutely disagreed with JESSE HELMS in my efforts to limit the jurisdiction of courts and perhaps even to say to the bureaucracy, "You can go no further in this."

Well, Mr. President, later on in his speech Berger said:

Whatever the scope of the "appellate jurisdiction" clause, there is the import of Section 5 of the Fourteenth Amendment to consider. Section 5 provides that "Congress shall have power to enforce. . .."; in 1879 the Court itself emphasized in *Ex parte Virginia*, that this power was given to Congress, not the Courts. Were the Court to insist upon enforcing the provisions of the Amendment against Congress manifest intention not to do so—it would convert "Congress shall have power to enforce" into "The Court shall enforce." That would usurp power that was withheld. For discretion to enforce was left to Congress; Section 5 does not mandate enforcement, it does not provide "Congress shall enforce," but that "Congress shall have power to enforce." This was not mere happenstance. Encroachment on State sovereignty was highly unpopular in the North and the "have power" formula, I suggest, was a compromise designed to leave the matter in the hands of Congress. My study of the Fifteenth Amendment, Section 2 of which is the analog of Section 5, disclosed, in the words of Senator Oliver Morton, that "the remedy" for both the Fourteenth and Fifteenth "was expressly not left to the courts," but was to "be enforced by legislation on the part of Congress." Senator John Sherman stated that "before it shall be enforced in the courts some legislation should be passed by Congress."

Mr. President, I say again, the Senate has spoken on this question of Justice Department bureaucrats and lawyers promoting forced busing. The House has spoken on it. And here we have a conference report making clear the position of Congress.

My dear friend from Connecticut says, "Well, I have a little amendment here that just may be innocuous and I want to slide it in." I cannot let him slide it in without a fight, because it will leave the door ajar to all sorts of contests in the courts as to what Congress really meant when it said the Justice Department shall no longer promote forced busing.

In a moment I am going to offer an amendment to Senator WEICKER's amendment. In good faith, I am assuming that all he really wants to do is make clear the constitutional prerogatives of the Justice Department with the proscription of what Congress voted to approve.

But let me address myself to what a rather distinguished citizen of this country has said about what he calls the pet crusades of orthodox liberals.

He is the distinguished scholar and professor of economics, Thomas Sowell. I understand that Mr. Sowell may be the next Secretary of HUD. I do not know that for a fact, but I have been reliably informed that that may well be the case.

Let me read you what Thomas Sowell says. The headline, "A Black 'Conservative' Dissents." The subheadline is, "Busing and affirmative action may be pet crusades of orthodox liberals, but, a black scholar contends, neither in fact does much real good."

Mr. Sowell begins by saying:

Being a black "conservative" is perhaps not considered as bizarre as being a transvestite, but it is certainly considered more strange than being a vegetarian or a bird watcher. Recently a network television program contacted me because they had an episode coming up that included a black conservative as one of the characters, and they wanted me to come down to the studio so that their writers and actors could observe such an exotic being in the flesh.

Am I a black conservative? It is hard enough to know what a "liberal" or a "conservative" is, without the additional racial modifications. Supposedly a "conservative" is satisfied with the status quo, but in more than 40 years of listening to people, ranging from welfare recipients to the President of the United States, I have never come across this mythical being who is satisfied with the status quo.

Mr. President, I am fascinated with the entire article and I would enjoy reading it into the RECORD but I am not going to do that.

Mr. President, I ask unanimous consent to have this article printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. HELMS. The point Dr. Sowell made is one that surely should be obvious to all Senators. That point is simply is it not time to listen to the American people? Let us not obfuscate the real question by saying, "'I happen to know that it is unconstitutional to say to the Justice Department, 'you cannot promote forced busing any more'."

This Congress has the right to proscribe remedies for the enforcement of the fourteenth amendment, but I will leave that debate to the constitutional lawyers. The debate about constitutionality is not between JESSE HELMS and LOWELL WEICKER, but it is between LOWELL WEICKER and Raoul Berger. I am not a lawyer. But I have an instinctive understanding, I think, of what is right for this Congress to do. And certainly, what is right for this Congress to do at this moment is not to tamper with the position strongly taken by both the Senate and the House to tell the Justice Department and all of its bureaucrats and all of its lawyers that, "No longer will you promote forced busing."

EXHIBIT 1

A BLACK "CONSERVATIVE" DISSENTS

(By Thomas Sowell)

Being a black "conservative" is perhaps not considered as bizarre as being a transvestite, but it is certainly considered more strange than being a vegetarian or a bird watcher. Recently a network television program contacted me because they had an episode coming up that included a black conservative as one of the characters, and they wanted me to come down to the studio so that their writers and actors could observe such an exotic being in the flesh.

Am I a black conservative? It is hard enough to know what a "liberal" or a "conservative" is, without the additional racial modifications. Supposedly a "conservative" is satisfied with the status quo, but in more than 40 years of listening to people, ranging from welfare recipients to the President of the United States, I have never come across this mythical being who is satisfied with the status quo. I know of no statistical research, or even casual observations, that would lead to the conclusion that so-called "conservatives" are more content, complacent or less outraged than people who carry the label "liberal." Some of the angriest people I know are called "moderates." Since truth-in-labeling laws do not apply to politics, there is little that can be done about all this.

Once it is realized that "liberal" and "conservative" are simply arbitrary designations for opposing political teams (more elegant but no more meaningful than "Dodgers" and "Mets"), we can turn to the substance of the issues between them. From this point of view, a so-called "conservative" is nothing more than a dissenter from the prevailing liberal orthodoxy. A "radical" would simply be someone who carries the liberal orthodoxy to further extremes.

Why would a black man dissent from the prevailing liberal orthodoxy, and especially on such racial issues as busing, "affirmative action" and the like? The question itself shows how pervasively the mass media have stereotyped and filtered the news. Most black people oppose busing. Polls that showed a black majority in favor of busing a few years ago have begun to show black pluralities and, finally, an absolute majority of blacks against busing. What is rare is to see any black opponent of busing in the media. The media-created black "spokesman" usually shares media-created values. The impression is insinuated that such "spokesmen" represent the "grass roots," or "authentic" ghetto blacks, while black dissenters from the liberal orthodoxy are from a remote "middle class" fringe. This impression must be insinuated, because there is little evidence for it—and a tremendous amount of evidence to the contrary. Many of the most fiery "militants" are middle-class Negroes now trying to live down their past by being blacker-than-thou, like true converts.

When the Supreme Court struck down state-imposed segregation in 1954, the decision was justifiably hailed as the climax of a struggle of many decades against Jim Crow laws and gross discrimination in the availability of public services, including education as a crucial necessity. Two more decades of bad faith, foot dragging and evasions produced ever tighter judicial control, culminating in court-ordered busing to achieve racial "balance." In short, we have arrived at a position that was not implicit in the original decision, and in many ways goes counter to the original concern for in-

suring individual constitutional rights without regard to color or other group characteristics.

The prevailing liberal orthodoxy insists that busing is essential for black children to receive their constitutional rights—and that they are to have their rights if it kills them. King Solomon is said to have chosen the true mother of a disputed infant by asking the two women concerned whether each would agree to having the baby cut in half to satisfy their rival claims. It was perhaps the first confrontation between principles of humanity and statistical "balance." Fortunately, King Solomon did not rely on H.E.W. guidelines for a solution.

Remarkably little attention has been paid to the black children who are supposed to benefit from busing. Certainly, little attention has been paid to the facts about their educational or psychological well-being before or after court-ordered "integration." It was assumed from the outset in 1954 that separate schools are inherently inferior. Anyone familiar with the history of numerous all-Jewish or all-Oriental schools could have exposed this for the sheer nonsense it was, and there are also a number of all-black schools that would have exposed this fallacy. All-black Dunbar High School in Washington had an average I.Q. of 111 in 1939, compared with the national average of 100—and this 15 years before sociological stereotypes were enshrined as the "law of the land."

The really crucial assumption behind involuntary busing is that some tangible benefit will result—presumably to black children, but, one would hope, to white children as well, and to the cause of racial understanding and mutual respect. The hard evidence does not support any of these assumptions. One can select isolated pieces of data to support the assumptions, but at least as much evidence can be found showing declining academic performances, lower self-esteem by black children and greater racial antagonism on the part of both black and white children after busing is imposed.

Busing is not a policy but a crusade. For a policy, one can ask, "Does it work?" "At what cost?" "What is the human impact?" For a crusade, the relevant questions are: "Whose side are you on?" "Is your courage failing?" "Can we dishonor the sacrifices of those who went before by turning back now?". The last thing a crusader wants to hear is cost-benefit analysis. And if the crusader is a white liberal whose only children are in private schools, his courage knows no bounds.

One of the last refuges of those who admit the sorry academic and social record of involuntary busing is the so-called "hostage" theory of integration. According to this view, the only chance black children have for getting a fair share of educational resources is to be mixed in with white children, so that discrimination is thwarted. This assumes that it is easier for courts to control racial "balance"—in the face of "white flight"—than to control dollars and cents paid from a central fund. It also assumes a greater educational effect from differences in per-pupil expenditures than existing studies substantiate.

Finally, there is the simple vested interest of civil-rights lawyers and leaders who have a heavy personal stake in pursuing the courses of action that brought them success and prominence in the past. There is nothing peculiar in this. It is, in fact, all too human. Generals have long been known for fighting the last war. In view of history, it may be too much to expect any organization to stop on a dime and then head off in another direction in high gear. But it is not too much to expect the rest of us to be able to see when a given approach has made its contribution, served its purpose and become counterproductive. We certainly need not repeat the mistake of Vietnam by sacrificing the younger generation to spare leaders the embarrassment of losing face.

The question may once have been "segregation" versus "integration" but it is that no longer. Neither Federal, state nor local government may segregate any longer. "Racial balance," however, is in most cases a will-o'-the-wisp, as changing neighborhoods, private schools and exodus to the suburbs repeatedly defeat the numerical goals of busing. In some cases, there is more racial separation in the classroom after years of busing than before. As for "integration" in some more meaningful social and psychological sense, going beyond racial body count, compulsory transportation is the least likely process for achieving that goal. It is a tragic commentary on the liberals' misunderstanding of their fellow human beings that they cannot grasp the difference between the effects of voluntary interracial association and involuntary placement in the same buildings. It is true that, prior to the 1954 Supreme Court decision, much evidence showed greater tolerance and better educational results for black children when going to schools—usually neighborhood schools—with white youngsters. But these were black and white schoolchildren who chose to live and go to school in the same neighborhood, and who grew up around one another—not strangers confronting strangers in an atmosphere of compulsion, anxiety and heightened racial defensiveness.

The grand delusion of contemporary liberals is that they have both the right and the ability to move their fellow creatures around like blocks of wood—and that the end results will be no different than if people had voluntarily chosen the same actions. It is essentially a denial of other people's humanity. It is a healthy sign that those assigned these subhuman roles have bitterly resented it, though it may ultimately prove a social and political catastrophe if their anger at judicial and bureaucratic heavy-handedness finds a target in blacks as scapegoats.

The same statistical approach to human problems found in the busing controversy is applied to the labor market in the Federal "affirmative action" program. There is also the same heavy reliance on assumptions, the same disregard of facts and the same crusading assurance that whatever one does in a noble cause is right.

One of the first things that is done in many noble causes is lying. "Affirmative action" is no exception. The racial, ethnic and sex quotas that are set under "affirmative action" hiring are denied by calling them "goals" and attempting to make elaborate scholastic distinctions between the two. We are told that "goals" are not "really" quotas because goals are flexible while quotas are rigid. But this revision of the English language ignores both facts and usage. "Quota" is no new or exotic word the liberal missionaries must explain to the heathen. There are immigration quotas, import quotas, production quotas and all kinds of other quotas—and whether those quotas happen to be met or not during a particular time period, no one denies that they are quotas. Quotas are quantitative rather than qualitative criteria. Everybody knows that, and that is precisely what critics object to.

"Affirmative action" quotas are supposed to compensate minorities and women for past injustices, but before any benefit can compensate anybody for anything, it must first be a benefit! There is very little hard evidence that "affirmative action" has that net effect, just as there is very little hard evidence that busing benefits black schoolchildren. Black income as a percentage of white income reached its peak in 1970—the year before mandatory quotas ("goals and timetables") were established—and has been below that level ever since (due largely to the recession). In short, blacks achieved the economic advances of the 1960's once the worst forms of discrimination were outlawed, and the only additional effect of quotas was to undermine the legitimacy of black achievements by making them look like gifts from the Government.

Undoubtedly, here and there some individuals have gotten jobs they would never have been eligible for otherwise. But however striking such examples might be, the overall picture depends on two other factors—what proportion of the labor force such people constitute, and the extent to which "affirmative action" has the offsetting consequence of actually reducing job opportunities for minority or female applicants. Since quotas apply not only to hiring but also to pay and promotion, some employers choose to avoid later problems by minimizing the initial hiring of nonwhite or female applicants. This is particularly true where there is a substantial risk that any applicant—of whatever race or sex—may have to be let go later on. For example, in the academic world, the "up-or-out" promotion system means that the top universities are constantly firing many junior faculty members at the end of their contracts, without any explicit "fault" being alleged. The legal and political dangers in applying this policy to minorities and women give universities an incentive either to avoid hiring minorities and women or to sidetrack them into special administrative jobs where this policy does not apply. Other industries also create "special" or "token" jobs for similar reasons, with the same net effect of reducing the career prospects of minorities and women—as a result of Government pressures designed to have the opposite effect.

Despite a tendency to consider women as a "minority," both the history and the present situation of women are quite different. Contrary to a fictitious history about having come a long way, baby, women today have less representation in many high-level positions than 30 or 40 years ago. In earlier times, women made up a higher proportion of doctors, academics, people in Who's Who, and in professional, technical and managerial positions generally. If you plot on a graph the proportion of women in high-level jobs over the past several decades, and on a parallel graph the number of babies per woman, you will see almost an exact mirror image. That is, as women got married earlier and earlier and had more and more babies, their careers declined. In recent times, as the "baby boom" passed and both marriage rates and childbearing declined, women have started moving back up the occupational ladder relative to men—though in many cases not yet achieving the relative position they held in the 1930's. This upturn was apparent before "affirmative action" quotas.

If you go beyond the sweeping comparisons of "men and women" that are so popular, it is clear that marriage and childbearing have more to do with women's career prospects than employer discrimination. In 1970—before mandatory "goals and timetables"—single women in their 30's who had worked continuously since high school averaged higher earnings than single men in their 30's who had worked continuously since high school. In the academic world, single women with Ph.D.'s achieved the rank of full professor more often than single men who received their Ph.D.'s at the same time—and this again, before quotas.

These are among the many facts ignored by proponents of "affirmative action." Such facts are relevant to policy but they do not support a crusade, which requires an identifiable enemy, such as male chauvinist employers. A much stronger case can be made that career women are discriminated against in the home, where they are expected to carry most of the domestic burdens, regardless of

their jobs. But there is no crusade to mount, and no political mileage to be made, from advising women to go home and tell their husbands to shape up. Both messiahs and politicians have to be able to promise people something, and very often that involves misstating the original problem, in order to make the promise sound plausible.

The grand assumption that body count proves discrimination proceeds as if people would be evenly distributed in the absence of deliberate barriers. There isn't a speck of evidence for this assumption, and there is a mountain of evidence against it. Even in activities wholly within each individual's control, people are not evenly distributed: The choices made as to what television programs to watch, what games to play, what songs to listen to, what candidates to vote for, all show the enormous impact of social, cultural, religious and other factors. One-fourth of the professional hockey players in the United States come from one state; more than a quarter of all American Nobel prize winners are Jewish, more than half of all professional basketball stars are black. Can one state discriminate against the other 49? Can Jews stop Gentiles from getting Nobel prizes, or blacks keep whites out of basketball? Obviously there are reasons of climate, tradition and interest that cause some groups' attention to be drawn strongly toward some activities, and that of other groups toward other activities. It need not even involve "ability." Some groups that have been tremendously successful in some activities have been utter failures in other activities requiring no more talent. Even such an economically successful urban group as American Jews had an unbroken string of financial disasters in farming, while immigrants from a peasant background succeeded, even though peasant immigrants could not begin to match the Jews' performance in an urban setting. As a noted historian once said, "We do not live in the past, but the past in us."

It takes no imagination at all to see the heavyweight of the past among both minorities and women. Even those minority and female individuals who are able to take advantage of higher educational opportunities do not specialize in the same fields as others, but disproportionately choose such fields as education and the humanities—where most people are poorly paid, regardless of sex or race. There are good historical explanations for such choices, but these are not necessarily good economic reasons. However, unless we are prepared to deny free choice to the supposed beneficiaries of "affirmative action," it is arbitrary social dogma to expect an even distribution of results.

Should we do nothing? That is the bogeyman of unbridled discrimination that "affirmative-action" spokesmen try to scare us with. But we were not doing "nothing" before quotas came in. The decade of the 1960's saw some of the strongest antidiscrimination laws passed anywhere, backed up by changing public opinion and by a new awareness and militancy among minorities and women. The dramatic improvement in the economic position of blacks was just one fruit of these developments. Despite the tendency of "affirmative action" proponents to conjure up images of discrimination in decades past, the question is, what existed just before the quotas, and what has happened since? That is the relevant question, and the answer shows a mountain laboring to bring forth a mouse—and often not succeeding. As we have seen, the ratio of black income to white income has never been as high since mandatory quotas as it was just before such "goals and timetables."

Why is "affirmative action" so ineffective despite all the furor it stirs up? Simply because its shotgun statistical approach hits the just and the unjust alike. Just as the crime does not consist of demonstrable discrimination against someone, but of a failure to meet governmental preconceptions, so the punishment does not usually consist of penalties imposed at the end of some adjudicatory process but of having to go through the process itself. For example, the University of Michigan had to spend $350,000 just to collect statistics for "affirmative action." For all practical purposes, that is the same as being assessed a $350,000 fine without either a charge or proof of anything. Most "affirmative action" proceedings do not end up in proof of guilt or innocence, or in any penalty though many end up settled by "peace with honor" in the form of elaborate plans, with good intentions spelled out in statistical detail: 1.3 more black accountants per year, 2.7 more female chemists, etc. If King Solomon had operated under "affirmative action," he would have promised each woman 0.5 children, and gone back to business as usual.

It has long been known that the road to hell is paved with good intentions, and that is where they lead in this case. And since many of the quotas were virtually impossible of achievement from the outset, there is even less reason than usual to expect much from such statements under such pressures. Just as in television the medium is the message, so under "affirmative action" the process is the penalty. And since this penalty falls on the guilty and the innocent alike, it provides no reason for even the worst bigot to change. Nor will it exempt even the purest heart from the harassments of bureaucrats. Indiscriminate penalties do not produce change but only resentment. As in the case of busing, resentment against Government heavy-handedness is often misplaced as hostility to the supposed beneficiaries. The fact that there is really very little benefit to any group only completes this tragic farce.

One of the reasons why many programs that don't work still keep going strong is that they sound so noble. Moreover, championing the disadvantaged is not only an inspiration but an occupation. To be blunt, the poor are a gold mine. By the time they are studied, advised, experimented with and administered, the poor have helped many a middle-class liberal to achieve affluence with Government money. The total amount of money the Government spends on its many "antipoverty" efforts is three times what would be required to lift every man, woman and child in America above the official poverty line by simply sending money to the poor. Obviously, there are a lot of middlemen who get theirs: administrators, researchers, consultants, staffers, etc. These are the army of people who "take care" of the poor in a variety of ways. Such caretakers are the modern equivalent of the missionaries who came to do good and stayed to do well. It is no accident that the highest income counties in the United States are in the suburbs of Washington, D.C. Poverty is the cause of much of that affluence.

Central to the costly "caretaker" approach to helping the poor—by paying money to someone else—is an image of the poor as too helpless to make it with mere money. A picture is said to be worth a thousand words, but this particular image is worth billions of dollars to the caretaker class. Public resentment at the tax cost of the "antipoverty" establishment takes the form of disenchantment with the poor and minorities, though most of the money ends up in the pockets of people who are neither.

Like every army, the army of caretakers requires both material and moral support. The taxpayers supply the material support. The moral support comes from those who accept the image of the helpless poor and who project that image—and the corresponding "need" for caretakers—through the mass media, in the colleges, and to a captive audience of millions in "social studies" in the public schools. Since many who project such an image are themselves products of years of the same kind of sociopolitical conditioning, something very close to perpetual motion has been created.

The image of the helplessness of the poor is repeatedly invoked to defeat proposals for income maintenance, educational vouchers and any other reforms that would enable the poor to make their own decisions and eliminate the caretakers. How helpless are the poor? And—since I am speaking as a black "conservative"—specifically, how helpless are blacks?

History shows that one of the most massive internal migrations in this country has been the movement of millions of blacks out of the South in the last two generations, in order to seek a better life for themselves. This was a spontaneous decision of millions of individuals, not organized by indigenous "leaders" nor promoted by outside caretakers. Going even further back in history, to 1850, the census of that year showed that most of the half-million "free persons of color" were literate, despite (1) being denied access to public schools in most parts of the country, (2) being forbidden by law to go to any schools in many Southern states, and (3) having very low incomes and occupations and few opportunities to cash in on the education. Private and even clandestine schools for blacks existed all over the United States in 1850, most of them supported by blacks themselves out of meager incomes.

Today, many ghetto blacks in cities across the country are sending their children to Catholic schools—though the blacks in question are usually Protestants—in order to seek better education than the public schools provide. For example, it has been estimated that more than 10 percent of all black children in Chicago go to Catholic schools. If educational vouchers were to make education free at both private and public institutions, would black parents be too helpless to make a choice among the various schools available to them? Or is the real problem that many caretakers in the educational bureaucracies would find themselves out of a job?

At a time when every silly trend in education is proclaimed in the media as an "innovation," the struggle of thousands of poor black families to send their children to private schools is a nonevent for those who shape public opinion. Where these private schools are Catholic, they are often in ghetto neighborhoods abandoned by earlier Catholic immigrant minorities, and it is not uncommon today for the bulk of the student body in these schools to the non-Catholic. Some of the Catholic schools have achieved remarkable educational success with black students, at far lower cost per pupil than the public schools. But it isn't news.

Indeed, black advancement in general isn't news. The research team of Scammon and Wattenberg was roundly denounced in the media when it reported very substantial gains of blacks across a broad front, in education, income, occupation and housing in the decade of the 1960's. In olden times, messengers were sometimes killed for bringing bad news to the king. Today those who bring good news are in jeopardy, for they are threatening the whole caretaker industry and undermining an image supported by the caretakers' allies in the media and in politics.

How unusual is a so-called "black conservative"? Not very. Being an exception to a media image is not being an exception in real life. The real opinions of flesh-and-blood black people have repeatedly been found to be completely different from the "black" opinions of media-selected "spokesmen."

An Ebony magazine poll comparing the views of blacks with those of college students

found blacks consistently more "conservative" than the college students. The great majority of blacks considered this country worth defending against foreign enemies and rejected violence as a means of achieving social change. A Gallup poll found that a substantial majority of blacks regard the courts as too lenient on criminals. Still another survey found that more than three-quarters of the blacks describe themselves as "sick and tired" of hearing attacks on "traditional American values."

So being a black "conservative" is not quite as distinctive as it might seem.

UP AMENDMENT NO. 1816

Mr. HELMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration. Then I want to ask my friend from Connecticut one question which may resolve this.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes an unprinted amendment numbered 1816 to unprinted amendment numbered 1815:

Following the words "nothing in this Act" add the words: "except section 607".

Mr. HELMS. Now may I ask my able and distinguished friend from Connecticut whether he intends for his amendment to apply to section 607, the Collins-Helms antibusing amendment? In his judgment, how would his amendment, if adopted, without modification or amendment, affect section 607?

Mr. WEICKER. My response is twofold. One, I intend my amendment to apply to the entire conference report. That would obviously include section 607. Indeed I would intend my amendment to apply to everything we do out here. The Justice Department and the courts of the United States will enforce the Constitution of the United States. That is why I would not be afraid to vote for the substance of this amendment under any set of circumstances, unless I was trying to violate the Constitution of the United States. Now, apparently, there must be some special reason for protecting section 607. Is section 607 something separate and apart? Is it a transgression on the Constitution of the United States?

I think the Senator from North Carolina probably thinks so and therefore does not wish to have that section subjected to legal or constitutional judgments.

The second part of the question was what?

Mr. HELMS. The second part was what effect would the amendment have on it?

Mr. WEICKER. The answer is that it would possibly preserve the constitutionality of the Collins language. I deem the Collins language now to be unconstitutional. With the Weicker language, the courts might not strike down the Collins language. If anything, I would say it is an assist to the Senator from North Carolina in what he is trying to achieve in the sense that it removes the constitutional issue while leaving a statement of legislative intent intact.

Have I answered the question?

Mr. HELMS. Will the Senator yield?

Mr. WEICKER. Certainly.

Mr. HELMS. The Helms amendment was not a statement of legislative intent. It was an instruction. I do not want any of this legislative intent business. I want the Senate and the House of Representatives to speak to the Justice Department in no uncertain terms, and in speaking to the Justice Department lawyers and bureaucrats to say, "Stop it."

That is where we stand right now.

But if the Senator's amendment would be approved without the Helms amendment to it, then the Senator has succeeded in muddying the water on that very clear position taken by the Senate and the House earlier.

Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. WEICKER. Mr. President, I move to table the amendment of the Senator from North Carolina and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. WEICKER. Mr. President, first of all——

Mr. HELMS. I am sorry, Mr. President, but the Senator has cut off his right to speak.

The PRESIDING OFFICER. The motion to table is not debatable. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Kentucky (Mr. FORD), the Senator from Hawaii (Mr. INOUYE), the Senator from Washington (Mr. MAGNUSON), the Senator from Hawaii (Mr. MATSUNAGA), the Senator from Montana (Mr. MELCHER), the Senator from West Virginia (Mr. RANDOLPH), and the Senator from Connecticut (Mr. RIBICOFF) are necessarily absent.

I also announce that the Senator from Massachusetts (Mr. TSONGAS) is absent because of a death in the family.

I further announce that, if present and voting, the Senator from West Virginia (Mr. RANDOLPH) would vote "nay."

Mr. STEVENS. I announce that the Senator from Maine (Mr. COHEN), the Senator from Utah (Mr. GARN), and the Senator from Pennsylvania (Mr. SCHWEIKER) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 45, nays 44, as follows:.

[Rollcall Vote No. 497 Leg.]

YEAS—45

Baucus	Glenn	Mitchell
Bayh	Gravel	Morgan
Bellmon	Hart	Moynihan
Boschwitz	Hatfield	Nelson
Bradley	Heflin	Packwood
Bumpers	Heinz	Pell
Burdick	Jackson	Percy
Chafee	Javits	Pressler
Church	Kassebaum	Riegle
Cranston	Kennedy	Sarbanes
Culver	Leahy	Stafford
Danforth	Levin	Stevens
Durenberger	Mathias	Stevenson
Durkin	McGovern	Weicker
Eagleton	Metzenbaum	Williams

NAYS—44

Armstrong	Goldwater	Pryor
Baker	Hatch	Roth
Bentsen	Hayakawa	Sasser
Biden	Helms	Schmitt
Boren	Hollings	Simpson
Byrd, Harry F., Jr.	Huddleston	Stennis
Byrd, Robert C.	Humphrey	Stewart
Cannon	Jepsen	Stone
Chiles	Johnston	Talmadge
Cochran	Laxalt	Thurmond
DeConcini	Long	Tower
Dole	Lugar	Wallop
Domenici	McClure	Warner
Exon	Nunn	Young
	Proxmire	Zorinsky

NOT VOTING—11

Cohen	Magnuson	Ribicoff
Ford	Matsunaga	Schweiker
Garn	Melcher	Tsongas
Inouye	Randolph	

So the motion to lay on the table Mr. HELMS' amendment (UP No. 1816) was agreed to.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

UP AMENDMENT NO. 1817

Mr. HELMS. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. We will suspend until the Senate is in order. I would request once again that those carrying on various conversations going about on different parts of the floor, please retire to the cloakroom. Senators will please take their seats so that we may continue the business of the Senate.

The Senate will suspend until order is restored.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Chair reminds the Senator from North Carolina that the Chair will not allow the Senate to proceed until order has been restored.

Mr. HELMS. I commend the Chair for that.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS), for himself and Mr. THURMOND, proposes an unprinted amendment numbered 1817 to the Weicker amendment numbered 1815:

Strike the period at the end of the amendment and add the following: "nor shall any language in this section be interpreted to modify the intent of Congress as expressed in section 607 of this Act.".

Mr. THURMOND. Mr. President, I rise in support of the amendment by the distinguished Senator from North Carolina, Mr. HELMS, and myself to the pending Weicker motion relative to the fiscal year 1981 State, Justice, Commerce and judiciary appropriations bill.

The purpose of this amendment is to insure that the intent of Congress, as expressed in section 607 of the bill, is not clouded or undermined by the language of the Weicker motion. Both the House and the Senate have clearly and forcefully spoken in adopting Section 607, which reads as follows:

SEC. 607. No part of the appropriations contained in this Act shall be used by the Department of Justice to bring any sort of action to require directly or indirectly the transportation of any student to a school other than the school which is nearest the student's home, except for a student requir-

ing special education as a result of being mentally or physically handicapped.

Mr. President, I view the Weicker motion as superfluous and unnecessary, since there is nothing in section 607 which contravenes the Constitution. Congress created the Justice Department by statute, enumerated its powers and duties by various statutes enacted over the years, and certainly has the constitutional power, by appropriate statutory language, to direct Justice Department attorneys as to the pursuit of remedies other than forced busing. As I stated several time during previous debate on this issue, the restriction in section 607 is aimed at the activities of the Justice Department and does not in any way restrict the courts or private litigants.

Mr. President, it is obvious that the motivation behind the Weicker motion is to allow the Justice Department to circumvent Congress intent as stated in section 607. The Weicker language could be seized upon by the Justice Department as a basis for continuing to advocate forced busing, completely ignoring the will of Congress and the vast majority of the American people.

Mr. President, forced busing of school children to achieve arbitrary racial quotas has proven to be divisive, counterproductive and deleterious to the educational process. We must halt the legal advocacy of forced busing by the Justice Department and move forward with quality education for all our children. This amendment will move the country a step closer to that goal, and I hope it will be adopted.

Mr. WEICKER. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. WEICKER. I raise the point of order that this, in effect, is requesting to accomplish the very thing which was tabled by virtue of the last amendment of the Senator from North Carolina and as such is out of order.

The PRESIDING OFFICER. The Chair rules that the amendment offered by the Senator from North Carolina presents a substantially new question and therefore is in order. Therefore, the point of order raised by the Senator from Connecticut is not well taken.

Mr. HELMS. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. WEICKER. No. Mr. President.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. HELMS. Mr. President, I cannot hear. I am sorry. May we have order?

The PRESIDING OFFICER. The yeas and nays have been requested, but the Chair is going to recognize the Senator from Connecticut.

The Senator from Connecticut.

Mr. WEICKER. Mr. President, a parliamentary inquiry. The amendment is debatable: is it not?

The PRESIDING OFFICER. The Senator is correct, the amendment is debatable.

Mr. WEICKER. Mr. President, just prior to moving to table the amendment of the distinguished Senator from North Carolina, I am going to speak about 1 minute, and I will be glad to yield whatever time he wants on it.

My amendment simply addressed itself to the entire conference report in the following manner—no particular section; to the entire conference report. I repeat what it said:

Nothing in this Act shall be interpreted to limit in any manner the Department of Justice in enforcing the Constitution of the United States nor shall anything in this Act be interpreted to modify or diminish the authority of the courts of the United States to enforce fully the Constitution of the United States.

In effect, what was done in the first amendment by the distinguished Senator from North Carolina was to say that the courts and the Justice Department can enforce the Constitution of the United States, with the exception of section 607.

This amendment, with all due respect to the ruling of the Chair—and I am not appealing it—is exactly the same in effect, that it will apply except as it applies to section 607.

I hope my colleagues will vote to table the amendment, as I will move. I do not want to do so until I give the distinguished Senator from North Carolina a chance to speak.

Mr. HELMS. I thank the Senator for his courtesy.

If I may have a bit more order, Mr. President, I will be very brief, and I will not take much time of the Senate.

The PRESIDING OFFICER. The point is well taken. The Senate will be in order. The Chair is able to count about 13 or 14 different conversations going on in the Chamber while we are trying to conduct the business of this body.

I request once again that those who find it necessary to converse on a variety of important subjects please retire to the cloakroom, so that we may continue with proper order.

The Chair apologizes to the Senator from North Carolina.

Mr. HELMS. No apology is necessary, Mr. President. On the contrary, I thank the Chair for his helpfulness.

Mr. President, the Weicker amendment, unless it is amended in the fashion proposed by the pending amendment, will simply open the door to undoing the position that the Senate and the House have taken on the question of forced busing and the Justice Department.

When this matter was discussed rather fully this morning, no Senators were on the floor other than Senator WEICKER, Senator HOLLINGS, the distinguished occupant of the chair, and the Senator from North Carolina. I read into the record a very interesting statement by a distinguished constitutional authority, Raoul Berger, who is professor emeritus at Harvard Law School, in which he disagrees totally with the distinguished Senator from Connecticut.

I said earlier that the constitutional argument is not between LOWELL WEICKER, whom I hold in great affection and admiration, and JESSE HELMS. It is between constitutional authorities such as Sam Ervin, Raoul Berger, and many others.

I believe we have the duty to speak out on this business of forced busing, certainly to the extent that Justice Department lawyers will not be running around this country promoting it.

That is all the Senate said the other day, and that is all the House has said. I believe it is a valid position and one that is long overdue.

I shall not consume any more time of the Senate, and I shall ask for the yeas and nays on the Senator's motion to table, when and if he wants it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Carolina. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Kentucky (Mr. FORD), the Senator from Alaska (Mr. GRAVEL), the Senator from Hawaii (Mr. INOUYE), the Senator from Washington (Mr. MAGNUSON), the Senator from Montana (Mr. MELCHER), the Senator from North Carolina (Mr. MORGAN), the Senator from West Virginia (Mr. RANDOLPH), and the Senator from Connecticut (Mr. RIBICOFF) are absent on official business.

I also announce that the Senator from Massachusetts (Mr. TSONGAS) is absent because of death in the family.

I further announce that, if present and voting, the Senator from West Virginia (Mr. RANDOLPH) would vote "yea."

Mr. STEVENS. I announce that the Senator from Maine (Mr. COHEN) and the Senator from Pennsylvania (Mr. SCHWEIKER) are necessarily absent.

Mr. HELMS. Mr. President, regular order.

The PRESIDING OFFICER (Mr. BOREN). Are there any other Senators desiring to vote?

The result was announced—yeas 46, nays 43, as follows:

[Rollcall Vote No. 498 Leg.]

YEAS—46

Armstrong	Goldwater	Roth
Baker	Hatch	Sasser
Bentsen	Hayakawa	Schmitt
Biden	Helms	Simpson
Boren	Hollings	Stennis
Byrd, Harry F., Jr.	Humphrey	Stevens
Byrd, Robert C.	Jepsen	Stewart
Cannon	Johnston	Stone
Chiles	Laxalt	Talmadge
Cochran	Long	Thurmond
DeConcini	Lugar	Tower
Dole	McClure	Wallop
Domenici	Nunn	Warner
Exon	Pressler	Young
Garn	Proxmire	Zorinsky
	Pryor	

NAYS—43

Baucus	Glenn	Metzenbaum
Bayh	Hart	Mitchell
Bellmon	Hatfield	Moynihan
Boschwitz	Heflin	Nelson
Bradley	Heinz	Packwood
Bumpers	Huddleston	Pell
Burdick	Jackson	Percy
Chafee	Javits	Riegle
Church	Kassebaum	Sarbanes
Cranston	Kennedy	Stafford
Culver	Leahy	Stevenson
Danforth	Levin	Weicker
Durenberger	Mathias	Williams
Durkin	Matsunaga	
Eagleton	McGovern	

NOT VOTING—11

Cohen	Magnuson	Ribicoff
Ford	Melcher	Schweiker
Gravel	Morgan	Tsongas
Inouye	Randolph	

So Mr. HELMS' amendment (UP No. 1817) was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HELMS. Mr. President, I ask unanimous consent that the distinguished Senator from South Carolina (Mr. THURMOND) be made a cosponsor of the amendment. I should have done that earlier in recognition of the great work he has done on this question.

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

The question is on agreeing to the motion of the Senator from Connecticut, as amended.

Mr. HOLLINGS. Before we move on that, the question now before us is that the committee would really not have an amendment. We are still operating in a proposition of limited time before Congress adjourns. If we adopt the pending question a separate vote by the House would be required. It would be a moot question in the context that the Collins language is in this particular bill on both sides. Both sides have now voted on it, and now we should find out what the President wants to do but he can't act until we send him the bill.

So in the spirit of trying to cut out further delay, unless the Senator from Connecticut wants to discuss it further, would he mind if I move to table the motion, as amended?

Mr. HELMS. Not at all.

Mr. HOLLINGS. I do not want to cut off any debate.

Mr. WEICKER. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WEICKER. As I understand the——

Mr. HOLLINGS. The motion I am prepared to make is that we table the motion, as amended, and then we would have the clean conference report, as we had agreed to in the conference committee. All sides signed the report. The House agreed, and this will save us a lot of time. We have had the test votes on this side, and there is no reason now to carry it back to the House and have it debated further and what have you, which would take additional time.

Mr. WEICKER. Mr. President, I hope the distinguished Senator from South Carolina would just defer offering his motion for 1 minute so that I can make a statement, and then I would certainly be agreeable to withdrawing my request for the yeas and nays.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WEICKER. Am I correct that the yeas and nays have been ordered on the Weicker motion?

The PRESIDING OFFICER. The Senator is correct. The Chair will state actually the yeas and nays were ordered on the motion to concur with an amendment.

Mr. WEICKER. I withdraw that request and I would go along with the distinguished Senator from South Carolina on his motion. I would prefer to have the Senator from South Carolina make his motion.

Mr. HOLLINGS. Can we have a voice vote?

Mr. WEICKER. That would be perfectly satisfactory.

The PRESIDING OFFICER. Is the Senator making a request that the yeas and nays be withdrawn?

Mr. WEICKER. Yes, the Senator so makes the request.

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

Mr. WEICKER. Might I make one statement for just 1 minute?

I have, Mr. President, tried, along with the many colleagues who supported me, to send a clear message on this issue. We did not entirely succeed, but I think it must be clear as to the importance of what is involved in this conference report. We tried, and now the job goes to the President of the United States, not in default of any action by the U.S. Senate but for him to make a decision.

That is the reason why I am going to support the motion of the distinguished Senator from South Carolina to table my motion so that the conference report might go down to the White House.

Everything has been done that could be done to take this noxious language out of the conference report. The legislative branch of Government has chosen not to act or to act in a negative sense. The President now has to choose. It is not a question of the President's sitting back and saying, "I am going to let the court determine the constitutionality of the provision." He should act, and I hope he vetoes this conference report. That is what his Attorney General has advised; that is what a great body of both Republicans and Democrats on this Senate floor have advised, and I hope it is not the courts of the United States that have to make a final determination. I wish it had been the Senate which had acted, but we did not, and I certainly hope the President will act.

Once again we can get the reins of Government back into the hands of the executive and the legislative branches. With that I yield the floor

Mr. CHAFEE. Mr. President, today, the Senate is about to pass the State, Justice, and Commerce appropriations bill conference report. This bill originally passed the Senate by a vote of 51 to 35. I was one of the 35 Senators who voted in opposition to that bill and I would like to take this opportunity to share some of my thoughts on that bill with the rest of my colleagues here in the Senate.

In the debate over that appropriations bill, we spent a good deal of time on amendments that would prohibit the Department of Justice from initiating or participating in legislation that would require busing as a solution in desegregating our schools. The proponents of this amendment argue that this was a vote on the merits of busing and continued Federal participation in this activity.

Now, what about the merits of busing? Do students learn better in desegregated schools? What happens when children who have participated in busing programs leave this environment? What have been the results when some school districts consider uniting the city and surrounding suburbs in a single desegregation plan? The results to these and other questions are not all in yet, but already we are getting conflicting analyses.

Scholars who have studied this question are divided on the merits of busing. Some scholars argue that desegregation has provided few academic benefits for minority students who have been involved in these programs. Other scholars point to studies showing that efforts at desegregation have made some improvements under certain circumstances in the education of minority students.

How do you measure improvements? Again, opinion is divided. Should we rely on supposedly objective test scores to measure improvements? Should we look at the percent of minority students involved in desegregation programs that have gone on to higher education? Is an individual's track record for getting employment a better measure of the success of these programs? There is no agreement here either.

Not surprisingly, public opinion on this matter is also divided. Opponents of busing can point to nationwide polls which indicate that over three quarters of the American people are opposed to forced school busing. On the other hand, proponents of desegregation point to public opinion surveys showing that a vast majority of Americans still favor desegregation as a way to improve educational opportunities for all America's youth.

Clearly, the results of two decades of busing is mixed. But should the votes on this appropriations bill be viewed strictly as votes on the issue of busing itself? I think not.

The format in which these amendments were considered raises serious constitutional concerns. Approving this amendment withholds from the Federal Government the only remaining method for insuring that Federal funds are spent in a constitutional manner.

Let us review quickly what Congress role has been in desegregation. In 1961, Congress enacted title VI of the Civil Rights Act which prohibited discrimination in federally funded programs. Title VI envisioned two ways for the Federal Government to insure that federally funded programs do not support discrimination. One of these ways was for the Federal Government to terminate its support for programs that were discriminatory. The second way was for the Federal Government to file suit to require those entities operating discriminatory programs to abide by the Constitution.

In 1977, Congress passed what is known as the Eagleton-Biden amendment. This amendment prohibited the Department of Health, Education, and Welfare—the agency of the Federal Government authorized to oversee school aid—from administratively requiring school districts, as a prerequisite to receive Federal funds, to desegregate by transporting children beyond the nearest school.

In a decision upholding the Eagleton-Biden amendment, a Federal district

court emphasized that the Department of Justice's continued ability to litigate effectively was the prime support for the constitutionality of the Eagleton-Biden amendment. This district court decision was upheld by a Federal court of appeals, in a large measure due to the Department of HEW s ability to still refer a case to the Department of Justice for suit.

Monday, the Senate approved an amendment which removed this option from HEW. In my judgment, this amendment is open to constitutional challenge as it is presently worded, but also invites further legal challenge to the Eagleton-Biden amendment because the constitutional safeguards on which it rests—the Department of Justice's ability to bring suit—is no longer present.

Given the, at best, mixed reviews of the busing program, as well as the desire of many citizens—both black and white—to regain control over their local schools, is very tempting to support such an amendment to this Department of Justice appropriations bill.

However, if we have learned anything at all from our experience with busing, it is that we should exercise great caution in trying to address this problem with a simplistic solution. The issue of desegregating our schools—and the proper role if any, of busing in that process—is a difficult and complex matter that deserves closer and more careful scrutiny than can be given simply by an amendment first offered on the floor of the Senate to an appropriations bill.

Dealing with the issue in this way can cause more problems than it solves. It is my feeling that Members of Congress must pass laws which meet constitutional muster first, and only within this constitutional muster first, and only within this constitutional framework can we turn our attention to remedying social ills. For these reasons, I voted against the Helms amendment to the Department of Justice bill.

Mr. HOLLINGS. Mr. President, I then move to table the Weicker motion, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Carolina to lay on the table the motion of the Senator from Connecticut, as amended.

The motion was agreed to.

Mr. HOLLINGS. Mr. President, I move that the Senate concur in the House amendment to amendment No. 89.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Carolina.

The motion was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendments in disagreement were agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HOLLINGS. I thank my distinguished colleagues.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

TAHOE REGIONAL PLANNING COMPACT

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. CANNON, I ask that the Chair lay before the Senate a message from the House on H.R. 8235.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 8235) to grant the consent of the Congress to the Tahoe Regional Planning Compact, and to authorize the Secretary of Agriculture and others to cooperate with the planning agency thereby created.

Mr. CANNON. Mr. President, I ask unanimous consent that the bill be considered as having been read twice and that the Senate proceed to its immediate consideration.

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

The Senate proceeded to consider the bill.

Mr. CANNON. Mr. President, this measure will ratify an agreement between the States of Nevada and California to the creation of a planning organization and for a process for limiting the growth in the Lake Tahoe basin.

Basically the compact will reestablish with new authority and a new mandate the Tahoe Regional Planning Agency, making it the sole authority for future planning in the Tahoe basin. Additionally, the compact will establish new guidelines and limits on growth and require studies to determine the environmental damage thresholds in the basin.

This compact has already been adopted by the legislatures of the two States culminating a long and difficult negotiation process. It is a triumph of good faith reasoning and compromise. As important, the compact is, I believe, a workable and effective mechanism for controlling growth yet permitting appropriate reasonable development of the area.

This alpine lake is one of the fairest spots in the world. Unfortunately, its alpine nature and its location in a natural basin make it particularly susceptible to damage from untrammeled growth. This new compact will, I believe, prove an effective means of protecting the basin in the future.

● Mr. LAXALT. Mr. President, I wish to take this opportunity to relate my total support of the Tahoe Regional Planning Agency compact. I have followed the TRPA progress since its inception in 1968 when I worked closely with California and Nevada legislators as Governor of the State of Nevada.

Perhaps a most important aspect of my support of this legislation is based on my own personal ties with Lake Tahoe, a spectacular, majestic mountain lake which has gracefully bore the burden of its beauty. This burden came in many forms but foremost was its development as a popular recreation and vacation resort area where people from across this country and even from other parts of the world came to enjoy Mother Nature's gift.

In 1968, it became all too evident that Nevada and California would have to work out an agreement to address the many problems that were surfacing due to Tahoe's gaining popularity. The two States did work together and as a result of this bistate cooperation, the Tahoe Regional Planning Agency was formed. In 1969, the Congress ratified this agreement.

The agency was a good mechanism at its inception. And I firmly believe with this necessary legislation it can be an even more effective tool for the future planning of this magnificent alpine lake.

The compact represents the collaboration of State, local and Federal governments attempting to achieve the very best for the Lake Tahoe area, and I firmly support this concept.

The compact provides for the balanced approval by all levels of government, as well as the public, in planning Tahoe's destiny. This compact is the workable means to consolidate to coordinate the efforts of all the agencies in controlling the future of Lake Tahoe.

The revisions offered in this legislation allow TRPA the authority to insure adequate land controls and at the same time provide for fairness and equity to the property owners involved.

I am pleased that the adoption of the TRPA compact has been supported by both the California and Nevada legislatures, the other local governments and the principal private interest groups including the private property owners.

To me this cooperation signifies that the TRPA compact, revitalized by this legislation, will be the most effective tool in managing the Tahoe basin and preserving its natural integrity for generations to come.●

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (H.R. 8235) was ordered to a third reading, was read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

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

The motion to lay on the table was agreed to.

INTERNATIONAL SECURITY AND DEVELOPMENT COOPERATION ACT OF 1980

Mr. CHURCH. Mr. President, I submit a report of the committee of conference on H.R. 6942 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the

amendment of the Senate to the bill (H.R. 6942) to authorize appropriations for the fiscal year 1981 for international security and development assistance, the Peace Corps, and refugee assistance, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of November 20, 1980.)

Mr. CHURCH. Mr. President, House and Senate conferees, after three arduous sessions, have resolved outstanding differences on H.R. 6942, the International Security and Development Cooperation Act of 1980, and have agreed on a conference report authorizing $4,981,776,000 for international security assistance, development assistance and Peace Corps programs for fiscal year 1981.

In our consideration of this legislation, the House and Senate conferees were cognizant of our responsibility to produce a conference report that was fiscally lean, while preserving U.S. interests through security and economic assistance programs. Mr. President, I believe that the conferees have met these objectives. The conference report we bring to the Senate today authorizes $323 million less than the President requested last spring, and is $241 million below the amounts originally passed by the House of Representatives earlier this year. H.R. 6942 actually authorizes $13 million less for fiscal year 1981 than was approved for fiscal year 1980, an achievement few other committees have accomplished this year.

Mr. President, among its major provisions, this conference report on H.R. 6942 includes the following:

It provides $1.4 billion in military aid for Israel, $551 million for Egypt, $252 million for Turkey, $183 million for Greece, and $175 million for Korea.

It removes the 10-percent reserve requirement for the foreign military sales guarantee fund, replacing it with a $750 million floor, thus enhancing the flexibility Congress provides the President in meeting essential U.S. security needs and agreements.

It provides $2,065.3 milion for fiscal year 1981 for economic support fund programs, including $785 million for Israel, $750 million for Egypt, and $200 million for Turkey.

It provides the new President with additional flexibility in the management of military and security assistance programs by allowing a waiver authority for certain restrictions presently included in the Arms Export Control Act, while also establishing a $50 million special economic contingency program and increased drawdown authority of up to $50 million in U.S. Defense Department stocks.

It provides $1.8 billion for bilateral development programs, the Peace Corps, U.S. voluntary contributions to international specialized agencies, disaster assistance, international narcotics control and African resettlement and rehabilitation aid to refugees.

I urge my colleagues in the Senate to approve this conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. CHURCH. Mr. President, before the Chair rules, I understand that Senator HELMS may want to speak on the subject on Angola. For that reason, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. JAVITS. Mr. President, I join with my esteemed colleague, the chairman of the Foreign Relations Committee, in urging the approval of the conference report on H.R. 6942, the International Security and Development Cooperation Act of 1980.

The annual action on this bill constitutes the single most important congressional input into U.S. foreign policy. Given the present world economic uncertainties, and the threats to global stability and peace, I believe approval of this authority is all the more urgent this year. This conference report embodies many of the basic foreign policy principles for which I have fought during my four terms in the Senate.

The International Security and Development Cooperation Act of 1980, as recommended by the committee of conference, does some very important things in support of U.S. foreign and security policy, without which the United States would be severely hampered, and without which the new Republican administration would face major problems, particularly in U.S. security assistance programs, from the moment it takes office. I would like to describe briefly a few major features of the bill as approved by the committee of conference.

SECURITY ASSISTANCE

Perhaps the most important single aspect of this bill is its effect upon the foreign military sales credit program, today our largest and most important military aid program. It does two things with respect to this program:

It authorizes the executive branch to extend some $3.1 billion in loans for the purchase of U.S. military equipment to our friends and allies.

It amends present law to remove the automatic requirement to appropriate 10 percent of the guaranteed loan amount for a reserve fund against default. We do this by setting a floor for the reserve fund and giving the President some flexibility to manage it prudently asking for additional funds as that becomes necessary.

This combination permits the extension of more than $1 billion in credits more than is permitted under the present continuing resolution. And it does so while reducing the actual appropriations needed about $160 million below the continuing resolution level.

Thus, in order to permit the military loans for materiel authorized in this bill but without passing this provision, we would have to appropriate $260 million more in the CRA than we would if we passed it.

If we do neither, the cuts would be severe for many countries whose military posture is critical to U.S. foreign and security interests. Such cuts would not even spare Israel, and would hurt Turkey, South Korea, Morocco, Tunisia, Greece, Thailand, and others.

Recovering from those cuts would have to become an immediate legislative priority of the new administration, and if we were to act responsibly, of the Congress. This would put off substantially if not entirely foreclose any plans for a major review of U.S. security assistance programs and policy, a review which it is very important that the incoming administration and the Congress undertake.

Another valuable security assistance provision is the result of an amendment offered by Senator HAYAKAWA which greatly enhances the effectiveness of our modest grant military training program.

This provision directs that the recipients of grant military training be charged a proportionate share of the additional cost the United States incurs in order to provide that training rather than only a share of the total cost the United States incurs in maintaining and operating the facilities at which the training takes place.

This change would significantly increase the number of students who could be trained at any particular program level. This modest $30 million program is widely viewed as an effective and low-cost instrument of U.S. policy and influence abroad, and this modest effort to stretch its impact a bit further can be quite significant.

These two provisions—the FMS credit program and the grant military training program—are very important steps to compensate for the very severe impact upon our security assistance programs imposed by the fact that for the second year in a row we will be operating in this area under a continuing resolution, effectively at fiscal year 1979 levels.

In addition, this bill contains some modest additions to presidential flexibility, in extending the waiver authority which now applies to programs authorized under the Foreign Assistance Act, to those programs now under the authority of the Arms Export Control Act. This modest addition to the President's flexibility however, also requires full consultation with the Congress in its exercise, thus protecting the congressional responsibility in foreign policy.

The conference report also contains a modification to section 21(c) of the Arms Export Control Act giving the President some added flexibility in dealing with situations where a recipient of U.S. defense services and articles is involved in hostilities; however, the conferees were most careful in adding appropriate precautionary report language and a requirement for reports to Congress in any such event.

ECONOMIC SUPPORT FUND

The conference report provides $2.065 billion in assistance through the economic support fund, the bulk of it in support of Middle East peace. Approval of the authority contained in this conference report is particularly important to U.S. foreign policy interests in the Middle East. In view of the strains that current economic conditions have placed on Israel and Egypt, it is important that the United States reinforce its commitment to these countries and to the Middle East peace process. We provide in this report the full amounts requested by the administration for this purpose. The committee of conference has sustained the amendments I moved in committee to authorize an additional $200 million in foreign military sales loans to Israel, and to authorize converting the $785 million in economic support funds for Israel and the $750 million for Egypt to a full grant. This extra authority will give the two countries the added resources to combat their severe economic problems without any additional budget outlays for the United States.

DEVELOPMENT ASSISTANCE

For development assistance and other economic cooperation programs, the conference report provides for a compromise level of $2.065 billion. Senator CHURCH has described the main features of the conference report in this respect. I wish, however, to emphasize that this portion of the foreign aid bill is also an integral element in supporting U.S. security interests. By providing critically needed capital and technical advice for many of the poorest countries of the world, U.S. development assistance helps global economic stability, and is a vital factor in reducing international tensions. In a very real sense, our development cooperation budget is preventive medicine, aimed at obviating the need for military assistance or higher defense spending by the United States.

I urge that the conference report be adopted.

Mr. President, as I have explained to the Senate, there are many things which are dealt with in this report of the greatest importance to tightening, making more effective, more efficient, and more economical, the military as well as the economic foreign aid of the United States.

But, to me, one gifted thing has happened in this bill which enables us to reduce appropriations by $260 million, and this is the result of the bright thinking of a member of the minority staff of the Foreign Relations Committee whose name is Stan Sienkiewicz.

He noted that the 10-percent appropriation which we make for foreign military credit sales, which accompanies any foreign military credit sale, on various credit terms, was more than adequate for the requirements of a guarantee fund and therefore, urged upon me an amendment to maintain a guarantee fund which related and gave some little margin to the experience and thinking which we had carried forward over an extended period of years.

By doing that and removing the required, annual 10-percent appropriation, we are able materially to reduce the authorization for appropriations in this bill and as time goes on will be able to stabilize this figure so as to require materially less appropriations in the future.

The other matter which we took care of, which I think is also a very good indication of the new way in which we will be approaching matters, is that in the military training program we have changed the formula which we charge to other nations who send their people here to be trained. The present formula gives the United States a share of the cost of operating the facilities under which the training takes place.

What we have done, however, is to provide now that the share paid by a foreign government shall be the share of the additional cost, wherever it may be incurred, of the United States to provide the training.

In our judgment, this will make a very material difference, especially because more trainees from other countries will be able to receive training.

In view of the important and lasting relationships which are established by this training program, it is a superb change.

As I said, there are other things. But it struck me that these two particular matters showed such resourcefulness and such capability in respect of the conference report that they should be especially noted.

Other Members will raise some other points and we will deal with those in the colloquy which will occur here before we finally vote on this report.

But, Mr. President, we have done a monumental job in dealing both with military and economic aid. The programs are now recognized, after all these years, as being essential to carry out the foreign policy of the United States and to give us a position of substance in the world where our stand on foreign policy issues still remains the most important of any country in the world.

I believe that this authorization will serve the Senate and the country well. Again, I urge that the conference report be approved by the Senate today.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. HELMS. Mr. President, in voting against the conference report on the International Security and Development Act, I do so for two reasons, one based on general principles, and one based upon particular circumstances relating to this bill.

Mr. President, I believe that the time has come for a general reappraisal of our foreign aid programs, their purpose, their accomplishments, and their impact both upon the recipient nations and upon the United States. Between 1946 and 1979, the United States has spent $251,340,671,000 in economic and military assistance, including all loans and grants. This includes $52,988,400,000 for the Near East and South Asia, $17,085,500,000 for Latin America, $62,347,000,000 for East Asia, $7,833,400,000 for Africa, $44,142,600,000 for Europe, $980,500,000 for Oceania, $30,500,000 for Canada, and $20,605,700,000 for interregional programs.

I mention those enormous sums to underscore the need to reappraise all these programs. We owe it to the American people to ask whether we actually are contributing to the development of the underdeveloped world. We owe it to the American people to ask whether these contributions and the hoped-for development they were meant to foster have actually helped to shape the kind of world that this Nation wants to see emerge. We need to define our own national interest, and whether the national interest has been advanced by these enormous transfers of money.

Foreign aid has undoubtedly been successful in some of its undertakings. But I do not believe that we have ever taken a real look at whether the cost is proportioned to the benefits.

Moreover, a great deal of the aid we have given has been wasted, or spent to no effect. So, we owe it to the American people to ask ourselves why these aid programs have failed. Are the principles upon which they are based, such as to create the kind of freedom that is important to Americans? Or are the principles rooted in economic concepts that are alien, if not hostile, to self-generating growth and personal freedom? In short, the burden of proof is upon the advocates of the present foreign aid programs.

As P. T. Bauer, of the London School of Economics has written:

> Foreign aid is a system of gifts. This fact is obscured but unaffected by calling the recipients partners in development. Indeed, this last phrase patronises the recipients by suggesting that they do not understand simple realities or that they are minors whose illusions must be preserved and whose susceptibilities must be spared. The phrase also prejudges the effects of aid by implying that it necessarily promotes development.
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> The argument that foreign aid is indispensable for the progress of the underdeveloped world means that without a system of doles, poor countries must stagnate. According to advocates of foreign aid, these doles are indispensable because the poverty of underdeveloped countries prevents the capital formation required for higher incomes. This situation is supposed to be an instance of the operation of the alleged vicious circle of poverty. This advocacy is, however, no more than unsubstantiated assertion. Foreign aid is plainly neither a generally necessary nor a sufficient condition for emergence from poverty.
>
> It cannot, for instance, promote development if the population at large is not interested in material advance, nor if it is strongly attached to values and customs incompatible with material progress.
>
> In fact, the advocates of aid as an allegedly indispensable instrument for development of poor countries are faced by an inescapable though largely unrecognized dilemma. If all conditions for development other than capi-

tal are present, capital will be generated locally, or will be available to the government or to private businesses on commercial terms from abroad, the capital to be serviced out of higher tax revenues or from the profits of enterprise. If, however, the conditions for development are not present, then aid—which in these circumstances will be the only source of external capital—will be necessarily unproductive and therefore ineffective. Thus, if the mainsprings of development are present, material progress will occur even without foreign aid. If they are absent, it will not occur even with aid.

There is only one possible but rather unlikely set of circumstances when foreign aid may be effective and also appeal to be necessary: this is when the required conditions for development are present but for external political reasons neither the government nor private business can borrow from abroad, and when for these same reasons local enterprise and investment are inhibited. In these very exceptional circumstances, foreign aid from a politically powerful country may both supply necessary capital and restore confidence. But in these conditions aid will restore confidence only in so far as it is interpreted as guaranteeing political security; a military presence in the recipient country, supplied by the donor country, would restore confidence perhaps more effectively even without aid.

Mr. President, these thoughts by a distinguished economist who has spent years studying development in the underdeveloped countries is only an indication of the line of enquiry which ought to be pursued. If foreign aid is used to build a society based upon central economic planning, and heavy capital investment in premature infrastructures by the central government, then all that we have done in spending this enormous sum of money is to enrich the planning elites in those countries. Moreover, central planning and central economic spending will have the effect of inhibiting and distorting a truly productive, free market economy. In this sense, foreign aid is counterproductive.

If, on the other hand, foreign aid is intended as a subsidy for the export of domestic U.S. production, then it becomes an intervention in our own economy, diverting resources from productive centers to the unproductive, distributing rewards to the politically powerful and penalizing most other Americans.

It is possible, however, that foreign aid could be useful if it is placed in another context. As Christians, for example, we turn with compassion to the victims of drought and disaster. But the same compassion should lead us to avoid imposing socialist structures upon the hapless people of underdeveloped nations because those structures will retard growth, increase misery, introduce political chaos, invite terrorism.

Instead, we should use our economic resources to promote the free market system, and to reinforce those security arrangements that will provide the confidence necessary for freedom to flourish. Although Taiwan, for example, is held up as an example of a country where U.S. foreign aid succeeded, it might be equally asserted that the economic success of Taiwan was the result of the mutual security treaty which provided the confidence for foreign investment and internal motivation for hard work.

That is why I am disturbed by the action of the conference which vitiated the amendment offered by the distinguished Senator from Massachusetts, Mr. TSONGAS, and me with reference to Angola. This amendment would have given the President the flexibility to supply assistance to military and paramilitary groups in Angola. Under present law, such assistance is possible only with a long-drawn out and public process involving authorizing legislation. The intent of our amendment was to allow the President to make a determination that it was in the national interest to send military assistance to Angola and send such aid after informing the Congress. Such action is traditionally within the President's foreign policy powers under the Constitution; the requirement for specifically informing Congress would have been a proper action on our part. But requiring further a joint resolution once again makes it impossible to act quickly if circumstances dictate.

Nor was there any need to restrain the President for fear that such aid would involve the United States in a war in Africa. The War Powers Act already contains sufficient safeguards.

But what the conference report does, however, is to send a message to Jonas Savimbi, the leader of the anti-Communist forces which control one-third of Angola, that the Congress of the United States is not going to allow the President ever to determine on his own, within his constitutional powers, that the actions against the Cuban-controlled Marxist government in Luanda ought to be supported in the interests of liberation.

Were it not for the Cuban troops, operating in Angola with Soviet economic and logistical support, the Marxists would have been crushed several years ago. In fact, it was the passage of the present legislation that stopped Savimbi from taking Luanda in 1976. But Savimbi fought on, and has established firm control over the southern part of Angola. Indeed, throughout much of the country, the so-called government—which we do not even recognize—controls only the cities.

This development in Angola becomes crucial to the success of the proposed Namibia settlement. As part of that settlement, it is proposed to create a demilitarized zone straddling the boundary between the two countries. In other words, the DMZ will have to include much of the territory that Savimbi controls. No plan for the settlement of the Namibian question can hope for success unless Savimbi is consulted as to the territory under his control.

Savimbi himself has made this clear in a telegram sent to the UN Secretary General, Kurt Waldheim, last March. Savimbi stated:

If the UNO forces which will establish themselves north of Namibia try to interfere in the life of the peaceable populations under our authority, UNITA will take all the appropriate measures.

After having fought Portuguese colonialism for 15 years and after 4 years of resistance against Russian-Cuban neo-colonialism, we consider that a new intervention by foreign forces in the south of Angola, on the side of Cuban forces, will not be tolerated by our people and by our UNITA movement.

Savimbi has earned the authority to make these statements by his years of struggle, and there is every reason to believe that he has the backing of his people and the ability to carry out his demands. From the standpoint of liberation politics, it is proper to listen to Savimbi; and from the standpoint of the national interest of the United States and our support of freedom in the Western tradition, it makes sense too.

It is a mistake, therefore, for the Congress to place legislative shackles on United States-Angolan policy. Indeed, these shackles are unique. They arose out of particular circumstances 4 years ago when the mood of the Congress and the mood of the people were quite different. These circumstances have since changed drastically. Yet to continue to single out the Savimbi forces for particular legislative treatment can only be interpreted as an unfriendly act.

Mr. President, the United States does not recognize the Marxist government of Luanda, and there is no reason whatsoever to think that it represents the will of the people of Angola. Savimbi has fought on alone, and enlarged his position despite Soviet and Cuban intervention in Angola. Since he has it in his power to frustrate the Namibian settlement, the United States will be performing an act of mischief to continue to repudiate his liberation struggle.

One need only look at what is happening in Zimbabwe to understand the mischief that Congress can exert. We had the opportunity before to give our support to a moderate, pro-Western government in Africa. The Senate voted time and time again to give such support; but the House refused to give support when it was needed. Today we are watching the slow disintegration of a society in Zimbabwe which had given such promise of freedom and progress. This legislation requires the executive branch to give a report on human rights in Zimbabwe based upon the guarantees in the Lancaster House agreement; I am afraid that that report will make tragic reading. But the great tragedy was the refusal of the House of Representatives to go along with the measures passed here in the Senate which would have supported a non-Marxist solution in Zimbabwe.

Now, once again, a conference report is placed before us which wipes out a constructive and positive step toward peace and freedom in Africa, this time in Angola. I hope that a year from now we will not be regretting this action. What it means is that the new administration will have to take more dramatic steps to open a dialog with Savimbi, a dialog that is long overdue. I urge President-elect Reagan to give a high priority to a study of the Angolan and Namibian problems so that there can be a rapid resolution of both within a regional context of freedom based upon a free-market system and a constitution of checks and balances.

Mr. President, I think that our entire

foreign aid program should be placed in such a context. Otherwise, we will be building a world that is detrimental to our interests and to the interests of freedom everywhere.

Mr. President, I ask unanimous consent that the entire text of the telegram of Jonas Savimbi be printed in the RECORD.

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

MARCH 3, 1980.

Mr. KURT WALDHEIM,
Secretary-General,
The United Nations,
New York, N.Y.:

We have always hoped that all the parties concerned with the project of the creation of a demilitarized zone in the south of Angola would take up contacts with UNITA which effectively controls the population in that zone. As we have learned by radio that a delegation of the UNO was in the region in connection with this subject, we have decided to send this telegram to you to state the following:

(A) We demand to become a party to take part in putting into effect the plan for the creation of the zone in question.

(B) We call for a guarantee of freedom of movement for our populations which live from cattle.

(C) If the UNO forces which will establish themselves north of Namibia try to interfere in the life of the peaceable populations under our authority, UNITA will take all the appropriate measures.

(D) After having fought Portuguese colonialism for 15 years and after 4 years of resistance against Russian-Cuban neocolonialism, we consider that a new intervention by foreign forces in the south of Angola, on the side of Cuban forces, will not be tolerated by our people and by our UNITA movement.

Our foreign representative Mr. Jeremias Chitunda, who is in New York at this moment is authorized to discuss this problem with your representative if you consider this useful.

JONAS SAVIMBI,
President, UNITA.

Mr. STEVENSON. Mr. President, Senate consideration of the conference report on International Security and Development Cooperation Act of 1980, H.R. 6942, underscores the disproportions, indeed the gross imbalances in our foreign policy. This bill authorizes the appropriation of $4,981,000,000 for all U.S. economic and military aid worldwide. It authorizes a ceiling of $2,616,000,000 for military credit sales for fiscal year 1981 ($500 million is authorized to finance this program). The Economic Support Fund, designed to supplement defense assistance with economic assistance, totals $2,065 million. Other nonmilitary activities authorized amount to $2,191,965,000.

It is instructive to examine how these funds are to be spent. In the military sales category $1,400 million is earmarked for Israel. This is $400 million more than last year, the addition being in the form of a grant. Egypt is authorized $550 million in credit sales. Thus, in a program that amounts to $2.616 million, these two countries receive more than 70 percent.

Where are our security interests in the rest of the Middle East, including the Persian Gulf reflected? Turkey, a large, insolvent country of strategic importance, gets $250 million. What about the dangers that threaten large parts of Africa, or the continuing need for self-defense in countries still friendly to us in Southeast Asia?

There is a similar story to be told with respect to the Economic Support Fund. Out of a total of $2,065,000, Israel gets $785 million (all grant aid) and $750 million for Egypt (also grant). This comes to more than 70 percent of the total. To use Turkey as an example again, it receives $200 million (a combination of grant and loan).

With much of the rest of the world suffering from malnutrition and disease, overpopulation, illiteracy, and a lack of productivity we intend to spend worldwide $713,500,000 on agricultural development, $238,000,000 on population, $145,300,000 on health, $101,000,000 on education, and $140,000,000 on energy.

Mr. President, it makes no sense. As I pointed out when this bill was debated in the Senate last June, Israel, with a small population, is to receive almost as much military and economic assistance as the other 99.9 percent of the world's population. We are foolish to think that a Middle East peace settlement is to be bought by pouring money into Israel and Egypt. History suggests that large amounts of money call for larger amounts. We are even more foolish if, as much out of concern for our own domestic politics as anything else, we neglect the needs of the rest of the world and our interest in seeing those needs alleviated. If the Congress itself does not develop some balance about these matters, the American electorate will eventually do it for us. For all these reasons I will vote against the conference report.

● Mr. HAYAKAWA. Mr. President, today I would like to urge my colleagues to accept the conference report on H.R. 6942, the International Security and Development Assistance Act of 1980.

Although there are some provisions of this conference report with which I do not completely agree, the conferees did reach agreement on several important and necessary provisions which will be beneficial to the new administration.

During the markup of the Senate version of this bill, I introduced an amendment aimed at bolstering participation by the foreign military officers in the International Military Education and Training program (IMET).

The amendment amends section 644(m) of the Foreign Assistance Act of 1961 to change the accounting procedure used for establishing the grant costs for the IMET program. Initially the pricing for the IMET program was to cover only the additional or incremental costs resulting from the admission of foreign officers to American training facilities. Unfortunately, the OMB felt that some money could be saved by allocating a pro rata share of all the administrative overhead and fixed expenses to the individual foreign participants. The advantage from the OMB point of view was that, by taking some of the IMET funds for fixed costs and general administration expenses, the direct charge to the Defense Department would be a little reduced. The disadvantage from the standpoint of the United States, however, is that the new procedure discouraged the admission of foreign officers and is counterproductive as far as the fundamental purpose of the program is concerned.

Participation in IMET has drastically declined since 1976. According to a General Accounting Office report and the Defense Department, a change in accounting procedures resulting in increased costs to participating foreign governments is responsible for the decline.

I believe there is near unanimity among those who are responsible for projecting the United States' image abroad that the miscellaneous exchange of persons programs are our most effective tool. Many of these programs have been in existence since the end of World War II, and many of today's national leaders have become our friends under the influence of their early experiences as guests of this country. When I visited Thailand in January and called on General Prem, he and all the senior staff officers in the room remarked with visible pride that they had some training in the United States.

My amendment was accepted by the Senate; the House bill contains a similar provision. However, it also amended the Arms Export Control Act so that this change in the costing procedure would be available to grant training recipients who purchase additional training under the FMS program. The conferees accepted this added provision.

Furthermore, we have included report language which urges the administration to consider including a modest IMET program for both Brazil and Venezuela sufficient to permit a small number of their officers to attend our professional-level service school. I feel this is a significant action given the importance of Brazil and Venezuela to U.S. security interests and given the need to strengthen our military relations with them.

Another important agreement reached by the conferees was the lifting of the commercial arms sales ceiling from $35 million to $100 million. It is essential that this ceiling be lifted as soon as possible. The present ceiling allows only the sale of two, possibly three, large aircraft and it denies the larger sales so desperately needed to keep an aircraft production line going. This could have very negative consequences for a number of aerospace companies as well as our balance of trade.

Finally, Mr. President, I would like to end on a personal note. During the past 2 years, I have had the privilege of serving on the Foreign Relations Committee with Senators CHURCH, MCGOVERN, STONE, and JAVITS. Senator MCGOVERN and I both served on the African Affairs Subcommittee and during this past session of Congress we introduced Senate Concurrent Resolution 8, uring the congressional leadership to appoint a team of observers for the Rhodesian elections which were held last April. Although our

motives for such an action were vastly different, Senator McGovern was most considerate and helpful to me.

Senator Stone and I were on the Western Hemisphere Subcommittee together and shared many of the same views with regard to Cuba and the other nations in the Caribbean. His contributions during the consideration of the SALT agreement by the full committee were outstanding. I shall miss sitting across from him during our committee meetings.

The chairman of the committee, Senator Church, has assisted me on many occasions and I am grateful for his help. I know that his job at times has been very frustrating and I appreciate the effort he has made to restore a congressional voice in foreign policy decisions.

I have had the privilege to serve with Senator Javits on the Labor and Human Resources Committee prior to my move to the Foreign Relations Committee. On both committees he has been most generous in advising and assisting me. There are not enough words to express my gratitude—even for a semanticist. His leadership on the committee was greatly appreciated by those of us on the minority side but I know the majority side also benefited from his insightful comments and ability to accommodate all interests. His reasoned voice will be sorely missed by all of us in the Senate.

Thank you, Mr. President.●

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. HELMS. I ask for the yeas and nays on the conference report.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the conference report. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Iowa (Mr. Culver), the Senator from Kentucky (Mr. Ford), the Senator from Alaska (Mr. Gravel), the Senator from Hawaii (Mr. Inouye), the Senator from Washington (Mr. Magnuson), the Senator from Montana (Mr. Melcher), the Senator from North Carolina (Mr. Morgan), the Senator from West Virginia (Mr. Randolph), the Senator from Connecticut (Mr. Ribicoff), and the Senator from Georgia (Mr. Talmadge) are necessarily absent.

I also announce that the Senator from Massachusetts (Mr. Tsongas) is absent because of death in the family.

I further announce that, if present and voting, the Senator from West Virginia (Mr. Randolph) would vote "nay."

Mr. STEVENS. I announce that the Senator from Maine (Mr. Cohen), the Senator from California (Mr. Hayakawa), the Senator from Illinois Mr. Percy), and the Senator from Pennsylvania (Mr. Schweiker) are necessarily absent.

I further announce that, if present and voting, the Senator from Illinois (Mr. Percy), would vote "yea."

The PRESIDING OFFICER. Are there any other Senators who desire to vote?

The result was announced—yeas 58, nays 26, as follows:

[Rollcall Vote No. 499 Leg.]

YEAS—58

Baker	Hart	Packwood
Baucus	Hatfield	Pell
Bellmon	Heinz	Pressler
Bentsen	Huddleston	Pryor
Biden	Jackson	Riegle
Boschwitz	Javits	Sarbanes
Bradley	Johnston	Sasser
Bumpers	Kassebaum	Schmitt
Cannon	Kennedy	Simpson
Chafee	Leahy	Stafford
Chiles	Levin	Stevens
Church	Lugar	Stewart
Cranston	Mathias	Stone
Danforth	Matsunaga	Tower
DeConcini	McGovern	Wallop
Dole	Metzenbaum	Weicker
Domenici	Mitchell	Williams
Durenberger	Moynihan	Young
Durkin	Nelson	
Glenn	Nunn	

NAYS—26

Armstrong	Garn	Long
Boren	Goldwater	McClure
Burdick	Hatch	Proxmire
Byrd, Harry F., Jr.	Heflin	Roth
	Helms	Stennis
Byrd, Robert C.	Hollings	Stevenson
Cochran	Humphrey	Thurmond
Eagleton	Jepsen	Warner
Exon	Laxalt	Zorinsky

NOT VOTING—16

Bayh	Inouye	Ribicoff
Cohen	Magnuson	Schweiker
Culver	Melcher	Talmadge
Ford	Morgan	Tsongas
Gravel	Percy	
Hayakawa	Randolph	

So the conference report was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

FAIR HOUSING AMENDMENTS ACT OF 1980

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senate will be in order. The Senator from Alaska.

Mr. STEVENS. What is the pending business, Mr. President?

The PRESIDING OFFICER. The pending measure is the motion to proceed to the consideration of H.R. 5200, the fair housing bill.

Mr. STEVENS. Mr. President, is it time-controlled?

The PRESIDING OFFICER. Time is under control.

Mr. STEVENS. Who controls the time on our side?

The PRESIDING OFFICER. The minority leader or his designee.

Mr. STEVENS. Mr. President, I would like to yield myself 2 minutes on that matter.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, I say this with great respect for my friend, the majority leader, but this cloture motion, in my opinion, would present to the Senate an issue that cannot fairly be disposed of in this Congress.

I have been a supporter of fair housing; I continue to be a supporter of fair housing. I want a bill that has time in which to be considered, but I also want to see revenue sharing and a lot of other bills, a myriad of small bills, that are here before us and must be disposed of during the balance of this week.

If we vote cloture on this bill we will then have another cloture motion before us, and it will shut off the consideration of many items that are——

Mr. ROBERT C. BYRD. Mr. President, may we have order in the rear of the Chamber?

The PRESIDING OFFICER. The Senate will be in order. The Senator will suspend until the Senate is in order. The Senate will be in order.

The Senator from Alaska.

Mr. STEVENS. I thank the Chair.

As I was saying, Mr. President, if cloture is voted on the fair housing bill now it will mean another cloture motion, and it will mean further delay of very essential legislation to many, many people throughout this country, legislation we can complete.

Whether it is correct or not, I am informed reliably that the other body will be departing from this city in any event no later than tomorrow evening.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield at that point?

Mr. STEVENS. Let me finish. But regardless of when they leave—and I will yield to my good friend—we do not have time to sit in conference with these Members of the other body on this legislation and complete the Defense appropriation bills.

Mr. KENNEDY. The Senate is not in order and the Senator is entitled to be heard. I ask that the Senate be in order so that we can hear the Senator. This is an important measure, Mr. President, and the Senator deserves to be heard.

The PRESIDING OFFICER. The Senate will be in order. Members will take their seats. The Senator from Alaska.

Mr. STEVENS. Again I thank the Senator. I intend to yield to the majority leader if he wishes to comment.

I have conferred with the Members who will be chairmen in the next Congress who will handle this measure, and I am assured that the Fair Housing Act will receive early consideration, and the Senate will consider a bill in the next Congress.

For us to consider it now, to vote cloture on this bill now, will put us in the position where we cannot attend to our duties. I would like to be in the Defense appropriation conference committee. We have other bills in conference. We ought to be conferring and working on the bills that we know this Congress can finish for certain. This bill we know could not because even if it went to conference there would be another filibuster potential before we are through.

I am not one who wants to filibuster against fair housing. I think it is unfair to classify those of us who vote against cloture now as being against fair housing. We are against bringing a bill up in literally the twilight moments of this Congress at a time when it cannot get fair consideration.

I respectfully say to my good friend from West Virginia that by bringing a cloture motion at this time, it leaves some of us who have dedicated our lives to things like fair housing in a position of saying, "Well, I can't afford to vote against cloture now because people at home will think I am against fair housing." That is not right.

I want to state that I hope every Member who wants revenue sharing, every Member who wants these other items to get out of conference and be presented here before the House goes home, will be against cloture on this bill, because it is untimely to bring it before the Senate at this time.

It seems to me that we ought to have the time to consider a measure like this in a fair manner. To bring it up now provokes additional cloture motions and will not resolve the issue.

I did say to my good friend that I intended to yield to the distinguished Senator from West Virginia and I will be glad to do so if he still wishes the floor.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished Senator who is the minority whip and my friend.

May I say to my colleagues that the adjournment resolution has not been passed. The House cannot go home to stay next week unless the Senate, under the Constitution, gives its authorization to the other body to adjourn for more than 3 days. So if cloture is invoked, we will stay with this bill until we finish it. We do not have to go home Friday. We do not have to go home Saturday, and we do not have to go home Monday.

Do not let the fact that we are driving for a Friday target of adjournment dissuade any Senator from voting for cloture. The adjournment resolution has not been passed. There is nothing that is written in cement or bronze or stone that requires the Congress to adjourn on Friday.

So if cloture is invoked, we will stay with it until we finish it and we will still do revenue sharing before we pass the adjournment resolution. If it is the will of the Senate not to invoke cloture, of course, that is another matter.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. BAKER. Mr. President, I thank the Chair.

Mr. KENNEDY. Mr. President, a parliamentary inquiry. Has the time started to run on the cloture petition?

The PRESIDING OFFICER. The Senator from Tennessee controls the time on his side.

Mr. KENNEDY. How much time remains on each side?

The PRESIDING OFFICER. Does the Senator yield for that purpose?

Mr. BAKER. I yield for that purpose. ator from Massachusetts has 20 minutes

The PRESIDING OFFICER. The Senand the Senator from Tennessee has 17 minutes.

The Senator from Tennessee.

Mr. BAKER. Mr. President, I do not know of any debate or legislative activity, in which I have engaged in the 14 years I have been in the Senate, that I am prouder of than those measures which affected and protected the civil rights of the citizens of the United States.

I can recall with great clarity the debates that occurred shortly after I arrived in the Senate with respect to the voting rights and with respect to other pieces of major civil rights legislation in the 1960's. I especially remember my direct participation in the effort to pass the first fair housing bill. Some in this Chamber will remember, as well, that I was instrumental in working out the first bill that passed on fair housing. Indeed, I cast the vote that broke the filibuster on fair housing. And, Mr. President, I may say facetiously that, in some parts of my State, I still have the scars and bruises to prove it. But I believe in that.

I believe in equality of housing opportunities, and it is for this reason that I am so deeply disturbed by today's debate.

I am disturbed because this issue is so vitally important; I am disturbed because it is a matter which for far too long has been placed on the "back-burner"; I am disturbed because this debate, at this time, has done nothing to advance the cause of civil rights, to which we are all committed.

When we reconvened after the election, I indicated that it would be my preference to avoid controversial pieces of legislation and simply do the work that had to be done. It was clear that given the enormous volume of legislation that had to be considered, a fair housing bill could not receive the time-consuming, painstaking analysis and debate that it would require.

All of us knew that there were aspects of the bill that would engender heated debate. Questions concerning the proper forum, the standard of proof, and the rights of the accused were matters of the greatest importance.

But most important, they were matters that, given enough time and a spirit of cooperation, could have been worked out. That was my hope and expectation.

But instead, the House-passed version of the fair housing bill was brought up—a bill that had not received the scrutiny of the Senate Judiciary Committee; a bill that had not received the close examination of the Members of this body. It was brought up in the closing hours of a lame-duck session with the full knowledge that men and women of conscience had irreconcilable differences on the methods proposed to resolve an undeniably ugly aspect of American society: discrimination in housing.

These were differences that could have been resolved. And, I have no doubt, Mr. President, that in the next Congress, these differences will be resolved and the Nation will have a fair housing law that works.

What then have we accomplished by debating this bill at such great length and to so little avail. We have managed to polarize our constituents; we have encouraged the fears of those who have suffered the pain and humiliation of discrimination; and we have imposed the stigma of defeat on a major civil rights bill.

To those in the gallery who report our activities to our fellow Americans, I would ask that they convey the following message: The Senate Judiciary Committee will report out a fair housing law that works and the Senate, and the Congress, will pass it.

There is not one Member of this Chamber on this side of the aisle that does not possess a deep and abiding commitment to the cause of civil rights.

Our differences, to the extent that we have them, revolve around the use of particular mechanisms to redress the ill effects of racial and other forms of discrimination.

Clearly, Mr. President, there is a compelling need to substantially improve fair housing enforcement. And I shall support such legislation—but not today, Mr. President.

I believe we should not even be here now; that we should have adjourned sine die before the election. I believe we should do everything that it is possible to do to finish the business of this country and get out of town and wait for the next Congress and the next administration.

Mr. President, notwithstanding my record on civil rights, my dedication to civil rights and, I believe, with some modesty, my substantial contribution to fair housing, I will vote against cloture because I think this is not the right time to consider it in the waning days of this Congress, whether that is this week or next week or the week following.

Mr. President, I promise, to the extent that I am capable of doing it, that I will try to present to the Senate a bill dealing with housing opportunity in this country in the next session of the Congress. But I will today, Mr. President—and subsequently if there are other efforts to do so—oppose cloture on this measure.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I yield myself such time as I may need.

Mr. President, the Senate is about to vote on the cloture motion for the fair housing legislation. The Senate should make no mistake about it, this is the civil rights bill of this particular Congress. This is an issue that has been before the Congress in one form or another for 12 years.

What we are effectively doing with this piece of legislation is making sure that there is going to be a remedy for what we have established to be a basic right in our society, that people are going to be able to buy a home or rent a home without the fear of discrimination on the basis of race, on the basis of national origin, on whether one is a man or a woman or whether one is handicapped or not. It is a very basic and fundamental issue. It is not complex.

What is the heart of the particular legislation that is before us is to fulfill

the commitment and the promise of the 1968 Civil Rights Act. And that is to make sure that we are going to provide an effective remedy for the millions of American people that are discriminated against on the basis of race or on the basis of sex or on the basis of religion or national origin or because they are handicapped.

The House of Representatives has passed this overwhelmingly, virtually 3 to 1. The Senate Judiciary Committee has held hours of hearings, hours of markup, hours of consideration. This matter has been on the calendar since August of this year.

The majority leader has indicated that it may very well be called up at any particular time before the end of this session. The majority leader called this matter up on Monday and we did not have any opportunity at that time for the consideration of amendments because no amendments were forthcoming, in spite of the fact that this measure has been on the calendar for some period of time.

Mr. President, we cannot say that we are going to permit some discrimination in this country and think that we are meeting our responsibilities to the American citizens.

In this area here, what we are attempting to do is what has been done in the area of voting rights and in the area of public accommodation. We are trying to make the end of discrimination something that can be achieved in a simple, easy, fair, just, and inexpensive way. We do that with the legislation which is before the U.S. Senate here today.

With the adoption of cloture we will have time to consider any of the amendments and permit the Senate to vote up or down. As the majority leader has stated, there is no magic time at the end of this week for the consideration of important legislation. This is vital legislation. It is imperative legislation to realize the promise of 1968. And there are millions of Americans, millions of Americans, who are today being discriminated against because they are women or because they are handicapped or because of the color of their skin. This legislation will provide the meaningful remedy of realizing the promise of this Congress some 12 years ago in the 1968 act.

Mr. President, I hope that the cloture motion will be accepted and positively responded to. I look forward with my colleague from Indiana, Senator BAYH, who is the author of this legislation, in considering amendments on their merits and getting about in realizing what is an extremely important legislation, not just for minorities in this country but for all Americans.

Mr. ROBERT C. BYRD. Will the Senator yield?

Mr. KENNEDY. I yield.

Mr. ROBERT C. BYRD. May I ask the distinguished Senator from Massachusetts, is it not true that the leadership has discussed this bill many times early on in the session in the hope that we could get it up, that we could get a time agreement on it which would allow for adequate debate and consideration, and passage of the measure? And has not the distinguished Senator from Massachusetts himself sought to work with other Senators in an effort to develop a time agreement but has been unable to get such agreement?

Mr. KENNEDY. The majority leader is entirely correct. As the leader himself knows, a week after the national convention in the Democratic Caucus this was an issue that was raised. The majority leader indicated at that time that he would make every best effort to try to get consideration of this important measure before the U.S. Senate. So we were on notice at that particular time. The letter that has circulated to the majority leader over the signatures of 35 Members of the Senate, Democrat and Republican alike, asked the majority leader to schedule this measure, and it did include some Senators who are actually cosponsors of this particular measure. So there has been adequate notice that this was entirely possible for consideration. The RECORD is quite clear on it.

It is a measure that has already passed the House of Representatives, which provides us additional responsibility for it, I think.

I must say, it is a measure which President Carter has been strongly committed to and he has indicated that he thought this was a matter which this body should consider.

There should be no question in the minds of the Members of this body or the American people about what the parliamentary situation is.

Mr. ROBERT C. BYRD. Will the Senator yield?

Mr. KENNEDY. I yield.

Mr. ROBERT C. BYRD. Mr. President, the contract to serve the American people while receiving our salaries did not expire with the election. Am I correct?

Mr. KENNEDY. The Senator is correct.

Mr. ROBERT C. BYRD. Our contract is still good, until January 2. We have a duty to stay here and complete the people's business. Since the election the Senate has acted on a great deal of business, in my judgment—the D.C. appropriation bill, the Interior appropriation bill, the State, Justice, Commerce appropriation bill, the Defense appropriation bill, the Agriculture appropriation bill, the second concurrent budget resolution, the superfund, the paperwork reduction bill, and many other measures. It is our duty to the people to act upon this bill before January 2. It is clear to us that we have that responsibility. Our contract with the people has not expired. We are paid to do our job. If we have to stay here until Christmas, we ought to stay here until Christmas.

We have tried to get an agreement on the fair housing bill but we have been unable to work it out.

There is no constitutional reason, there is no legal reason, and there is no compelling reason otherwise as to why we have to go home on Friday. We set that as a target date and I hope we can make it. But Senators will still be under contract to the American people, even those who have been defeated and those who have elected to retire, to stay here and do the business of the people until this Congress expires.

Mr. President, let us not let Friday, the target date of Friday, dissuade us from doing what is our responsibility. If we have to be here Saturday or Monday or Friday a week, we are still under contract to the American people.

There have been a lot of eyebrows raised about a postelection session. I understand in the press they have said, "Well, the lameduck Congress will be back. The best they can do is to come back and pass a few appropriations bills, wind up its work, and go home."

Well, this so-called lameduck Congress has already done a great deal of work. Every one of us still has the responsibility to work for the people until midday on January 3, insofar as this Congress is concerned, if need be. Our contract, if I may use that expression, did not expire with the elections. So let not Friday of this week dissuade any Senator from voting for cloture. We can stay until the work is done.

Mr. KENNEDY. I thank the majority leader for his statement.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 12 minutes remaining.

Mr. KENNEDY. Could I inquire of the majority leader? As I understand it, because of the delay in the vote on the previous legislation, we were only, I think, allotted 20 minutes a side, is that correct, under the cloture petition?

The PRESIDING OFFICER. The Senator is correct.

Mr. KENNEDY. What is the desire of the Senate? We have a number of speakers who want to speak. Since we do not have the full half-hour, we are limited to 20 minutes. There are three Senators who want to speak in favor of this. We have 12 minutes left.

Mr. HATCH. Will the Senator yield?

Mr. KENNEDY. I yield.

Mr. HATCH. How much time remains to our side?

The PRESIDING OFFICER. Thirteen minutes.

Mr. HATCH. We will be happy to yield some of our time to the Senator.

Mr. KENNEDY. I thank the Senator. I yield 2 minutes to the Senator from Arizona.

Mr. DECONCINI. I thank the Senator.

Let me say I believe it is in the best interest of this country for us to face the issue, and we should not use the excuse of lameduck session or the fact that there is a shift within this body not to address the issue of fair housing.

I have some major problems with the particular bill that was reported out of the Judiciary Committee. I wish, and we all have wish lists, that we had stayed with the bill as it was reported out of the subcommittee which had several amendments which I thought were fair and equitable and in the best interests of all concerned.

Notwithstanding that, I will today vote for cloture because I believe that we should have an opportunity to vote on

this issue up or down, and the amendments thereto. If the matter is changed and altered appropriately to what I think is in the best interest of this country and my State, of course, I will vote for it on final passage.

I do not think we should shy away from an issue of fair housing and discrimination merely because we are going to have a new administration and a new Senate organized on party lines. This is not a party issue. It has been around for a long time. Let us not be afraid to call it the way each one of us sees it. Let us face it. Let us tell the public that we are concerned, that we do concern ourselves about discrimination, about people having an opportunity to live in houses——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DECONCINI. I ask unanimous consent that I be granted an additional 15 seconds.

That it is time that the American people have the opportunity to live in housing without the fear of discrimination, and if discrimination is alleged that there be a swift process within the court system to rectify that.

With that, I thank the chairman of the Judiciary Committee.

The PRESIDING OFFICER (Mr. BAUCUS). The Senator from New York.

Mr. JAVITS. Mr. President, I hope we will act and act affirmatively today for the following reasons:

First, everybody in America who is concerned with civil rights is concerned with what will be the nature of the new administration. There is much fear about it as well. I do not think the fear is warranted.

I campaigned for President Reagan because I do not believe the fear is warranted.

Nonetheless, Mr. President, here is a simple, direct, and easy way in which Americans can be reassured. This bill is subject to amendment in any way that the Senate believes desirable.

Therefore, we can act on it. It is certainly a bipartisan measure, as civil rights have always been, going way back to the late 1950s.

Second, this bill has passed the House. It has come out of committee and this is the final stage. It will take at least 2 years for the same stage to be reached if it goes over to the next Congress. This bill was first put in in March of 1979. Here we are, at the end of 1980.

So, Mr. President, for that reason as well, that justice delayed is often justice denied, we should act on this bill and act on it now, as I hope very much the Senate will.

I think it will go very far to give the American people a sense of reassurance that this, like the previous one and the one before that, is essentially a centrist regime which has been voted into office. That will be a very healthy thing for this country, especially in so deep and passionate and divisive an issue as civil rights, particularly fair housing, legislation is. I believe the bill is a fair one. I believe it should now be acted on and passed.

Mr. MOYNIHAN. Mr. President, as this important and fateful debate moves toward a preliminary decision point, I would not delay the Senate with words either of emotion or intimidation, some of which, I am sorry to say, have been heard in this debate. I should like simply to present a simple set of statistics, of facts, about the state of fair housing in the United States today.

There have been two studies done in the past 2 years by the Joint Center for Urban Studies of Harvard University and Massachusetts Institute of Technology, a body of which I once had the honor to be director. The New York study by Mr. Robert Schafer, entitled "Mortgage Lending Decisions: Criteria and Constraints," assessed actual mortgage lending practices to persons in exactly comparable economic circumstances. It found that, in 6 of the 10 New York State study areas, black applicants were significantly more apt to be turned down for mortgage loans. In fact, blacks were nearly eight times as likely to be denied mortgages as were similiar qualified whites.

The study by Schafer and Helen Ladd, entitled "Equal Credit Opportunity: Accessibility To Mortgage Funds By Women And By Minorities," found almost identical statistically confirmed facts of discrimination.

That is what this law is about. It is about helping the 3,273 families who filed housing discrimination cases with the Department of Housing and Urban Development's Office of Fair Housing but had no recourse to legal action without a long and costly court battle. And it is about insuring those many victims of racial violence and abuse that they need not fear racism when searching for a place to live.

Mr. President, I ask unanimous consent that messages of support of this legislation which I have received from distinguished New Yorkers be printed in the RECORD at this point.

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

HON. DANIEL PATRICK MOYNIHAN,
U.S. Senate,
Washington, D.C.

The National Education Association strongly support H.R. 5200, the 1980 fair housing amendments to the Civil Rights Act of 1968. We urge you to support H.R. 5200 without amendments and to vote for cloture on any filibuster delaying consideration of this important legislation.

JAMES W. GREEN,
Assistant Director for legislation, National Education Association.

HON. DANIEL PATRICK MOYNIHAN,
Dirksen Office Building,
Washington, D.C.

Cloture vote on fair housing scheduled for floor action on Wednesday, December 3, 1980. Urge you to be there and vote to limit debate.

CLARENCE MITCHELL,
Chairman, Leadership Conference on Civil Rights.

HON. DANIEL PATRICK MOYNIHAN,
U.S. Senate,
Washington, D.C.

Your full support is urgently needed to assure consideration and passage of H.R. 5200, the Fair Housing Amendments Act of 1980. The U.S. Conference of Mayors urges you to stay in Washington until final consideration of this bill, to support cloture motions to close off filibusters against the bill, and to support the provisions of H.R. 5200 without weakening amendments.

RICHARD G. HATCHER,
Mayor of Gary Ind.
President, U.S. Conference of Mayors.

HON. DANIEL PATRICK MOYNIHAN,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: AFT strongly urges your support on the cloture vote and House version of the fair housing bill without amendment.

Sincerely,

GREG HUMPHREY,
Director of Legislation, American Federation of Teachers, AFL–CIO.

HON. DANIEL PATRICK MOYNIHAN,
Senate Office Building,
Washington, D.C.

The Congress should enact an administrative enforcement system to implement the Fair Housing Act. We seek your support for cloture when the Senate moves to proceed with the House bill H.R. 52.

JOHN J. SHEEHAN,
Legislative Director,
United Steel Workers of America.

Senator DANIEL MOYNIHAN,
U.S. Senate,
Washington, D.C.

With fair housing coming up this week, AVC urges you to be present, to vote for cloture, and to support House passed H.R. 5200. Crucial this important civil rights legislation be enacted.

JUNE WILLENZ,
Executive Director,
American Veterans Committee.

HON. DANIEL PATRICK MOYNIHAN,
Senate Office Building,
Washington, D.C.

Strongly support House passed fair housing bill; urge you stay in town until Friday; support cloture, oppose weakening amendments.

GRACE DAY,
International President,
B'Nai B'rith Women.

HON. DANIEL PATRICK MOYNIHAN,
Senate Office Building,
Washington, D.C.

Fair Housing Amendments Act: vote cloture, stay in session until Friday 3, vote for House version of act.

ROBERT L. WHITE,
National President, National Alliance of Postal and Federal Employees.

HON. DANIEL PATRICK MOYNIHAN,
Senate Office Building,
Washington, D.C.

Strongly support House passed fair housing bill. Urge you to stay in town until Friday. Support cloture. Oppose weakening amendments.

THE CHILDREN'S DEFENSE FUND.

INTERNATIONAL UNION
OF OPERATING ENGINEERS,
Washington, D.C.

HON. DANIEL PATRICK MOYNIHAN,
U.S. Senate,
Washington, D.C.

Urge you to strongly support House passed fair housing bill without any weakening amendments. Please stay in town until Friday and support cloture.

J. C. TURNER,
General President.
JOHN J. BROWN,
Director of Legislation.
JOHN J. FLYNN,
Assistant Director of Legislation.

NATIONAL COUNCIL OF
SENIOR CITIZENS, INC.,
Washington, D.C., December 2, 1980.

DEAR SENATOR: The National Council of Senior Citizens urges you to make every effort to be present tomorrow afternoon for a 1:00 P.M. vote for cloture on the Fair Housing Bill, H.R. 5200, presently being considered by the Senate.

NCSC supports the House version and requests you vote against any amendments.

Sincerely,

JACOB CLAYMAN,
President.
WILLIAM R. HUTTON,
Executive Director.

Mr. MOYNIHAN. Mr. President, I congratulate the chairman of the Committee on the Judiciary for the valor and grace with which he has carried out this debate.

Mr. KENNEDY. I thank the distinguished Senator. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Massachusetts has 4 minutes remaining.

Mr. KENNEDY. I shall ask the opposition to yield us some time, because the Senator from Indiana is on his way over. I yield some time to the Senator from New Jersey.

Mr. BRADLEY. Mr. President, I support the Fair Housing Amendments Act of 1980. This act is crucial to the effort to eradicate discrimination in housing. It is a disgrace that John F. Kennedy's words are still true today:

> One hundred years of delay have passed since President Lincoln freed the slaves, yet their heirs, their grandsons are not fully free. They are not yet freed from the bonds of injustice; they are not yet freed from social and economic oppression.

Now, 12 years after the passage of the Civil Rights Act of 1968, which outlawed discrimination in housing, and more than 116 years after Lincoln's Emancipation Proclamation, which outlawed slavery, we must remain vigilant to insure that constitutional rights flow equally to all Americans. We must not fail in this responsibility.

The enactment of the Fair Housing Act as part of the Civil Rights Act of 1968 represented a major addition to the civil rights laws. For over a century, civil rights have been extended gradually but inexorably to most Americans. The 13th amendment recognized all people as human beings, not just property.

The Supreme Court's 1954 decision in Brown against the Board of Education declared the fundamental principle that racial discrimination in public education is unconstitutional. The landmark Civil Rights Act of 1964 enforced nondiscrimination in voting, public accommodations and employment. The 1965 Voting Rights Act gave all Americans the right to participate freely in our democracy.

Then, 12 years ago, recognizing the need to promote equal access to housing, Congress enacted and the President signed title VIII of the Civil Rights Act prohibiting discrimination on account of race, color, religion, national origin, and sex in the sale and rental of housing. The law established as a national policy that a black person, for example, who had the money could not legally be denied the purchase or rental of a selected dwelling. Again, a basic human right had to be codified for nonwhites. An important step to be sure, but unfortunately, the Fair Housing Act provided for inadequate enforcement.

The need for strengthening enforcement of title VIII has been established and set forth over the past 10 years in hearings begun by the Subcommittee on Civil and Constitutional Rights in the 92d Congress and continuing in each Congress through the 96th.

This thorough examination of the Federal Government's role in the achievement of equal opportunity in Housing produced findings that segregated housing patterns can be attributed to the private sector through practices such as steering, discrimination in financing, shift of employment location to the suburbs and to the public sector through land-use practices imposed by local governments, and Federal Government practices fostering segregation. The examination also found that HUD enforcement authority is so inadequate as to invite noncompliance and that housing discrimination is national in scope.

One survey of 3,200 real estate sales firms and agencies in 40 metropolitan areas found that the probability of a black encountering discrimination is 75 percent in renting a home and 62 percent in purchasing a home. A 1979 study of the Dallas rental housing market showed that the probability of discrimination against a dark-skinned Mexican American is 96 percent in the rental market, 65 percent against a light-skinned Mexican-American. Worse yet, these studies do not examine all phases of the housing process where discrimination can occur, such as in financing and steering.

Mr. President, enforcement under title VIII has not resulted in a significant reduction in racially segregated housing because most enforcement has been through costly and lengthy Federal court litigation. Existing law allows the Secretary of HUD, through an Assistant Secretary for Fair Housing and Equal Opportunity, to enforce title VIII by investigating discrimination complaints and by attempting to promote voluntary compliance through conciliation.

HUD cannot even require the discriminating party to show up for conciliation. If HUD's attempt to conciliate fails, the only recourse is a suit in Federal district court brought and paid for by the plaintiff—first in State court if a State or local fair housing law exists. The Attorney General may initiate a civil action in Federal district court only upon finding a pattern or practice of housing discrimination. As a result, HUD has received not more than 4,000 complaints annually.

In 1977, out of 3,391 complaints filed with HUD, 277 were successfully conciliated. However, of those, only in one-fourth of the cases did the complainant obtain the housing at issue. Clearly the incentive for an individual to attempt to rectify discrimination through the HUD conciliation process is extremely small and has a poor probability of success. The alternative of litigation is also bleak.

For most persons who are the victims of discrimination, the cost of litigation alone is prohibitive, not to mention the frustration caused by the length of proceedings, which usually take about 2 years. A rather long wait to move into one's chosen home—if that ever occurs as a result of a suit. Unfortunately in most instances, the selected residence is no longer available by the time a judicial decision has been reached.

The expected awards of damages and attorney's fees are too low to be an incentive—under $3,000 and below $2,000 respectively. Unlike under other civil rights laws, title VIII provides that attorneys' fees be awarded only to plaintiffs financially unable to assume them. Under these circumstances, the resolve and persistence required to undertake such a monumental project is much too great for the average human being. When the goal is to move into a home, the cost and delay of pursuing a private civil suit is just not viable for the majority of Americans.

The remaining remedy, through suits brought by the Department of Justice, applies in a very limited number of housing discrimination cases—those representing a "pattern and practice" of discrimination. The fact that the Department of Justice has brought a mere 300 suits since enactment of the Fair Housing Act shows that extremely limited application is possible under this course of action.

Mr. President, while we must recognize that title VIII is an important statement of national policy, we must admit that title VIII has failed miserably to fulfill its purpose of prohibiting discrimination based on race, color, national origin, or sex in the sale or rental of housing. The present law has no teeth. It gives HUD power to investigate without power to remedy. Title VIII's purpose cannot be carried out when it depends almost completely upon private efforts for enforcement.

Mr. President, we have before us a scandalous blatant situation of justice delayed, justice denied. This cannot be allowed to continue. We must act. Free access to housing is an integral part of the American dream. Free access to housing is basic to the enjoyment of other liberties which should be available to all Americans—those of equal access to education and equal access to employment.

In America, along with the selection of a place to live, in keeping with the honorable tradition of public education for all, a person gets a neighborhood school. This is positive since, for most Americans, public schools are still the most viable option for elementary and secondary education. And it is widely acknowledged that education affects employment opportunities which, in turn, affect economic conditions. When poor and minority persons are kept out of neighborhoods where the best public schools exist, this is a tragic denial of their possibilities for upward mobility in the society.

It is a restraint of personal growth and of opportunity for full participation: The law should guarantee, not deny, the possibility of growth and participation

for all citizens. The fact that busing has been turned to as a way of desegregating the public school system shows the prevalence of highly segregated housing patterns. If equal access to housing becomes a reality, it is likely that this means of insuring racial balance in public schools would be unnecessary.

The relationship of a person's neighborhood to his employment is most significant to the average American. The cost and time of traveling great distances to work usually prohibits or discourages such employment. As business moves away from urban communities, where most poor and minorities live, to the suburbs, where minorities often cannot obtain housing, the opportunity for access to employment disappears. So, the basic human right to earn a living is denied when access to housing is denied. The person's economic lot cannot be improved and the possibility of participation in the American dream disappears—not just for an individual, but, likely, for children and grandchildren.

Mr. President, the gravity of our responsibility to stop housing discrimination, which can so destructively permeate the life experience of a family, demands immediate effective and sensitive action. Both my distinguished colleagues of the Judiciary Committee and the Members of the House of Representatives, who understand and accept this mandate, have agreed to amendments to the Fair Housing Act which will establish an enforcement mechanism for title VIII to insure that justice is rendered speedily and efficiently. This issue deserves our most careful consideration now.

Both H.R. 5200, passed by the House, and S. 506, reported by the Senate Judiciary Committee, would strengthen title VIII by providing an administrative enforcement system subject to judicial review and by decreasing barriers to the use of court enforcement by both private individuals and the Department of Justice. In addition, they would extend title VIII protection to handicapped persons.

H.R. 5200 and S. 506 would amend title VIII to allow HUD attorneys to investigate complaints and seek a temporary order to stop the sale or rental of a dwelling. Administrative law judges could issue "cease and desist" orders, provide other appropriate relief, impose civil fines up to $10,000, and extend protections against housing discrimination to the handicapped. Under both bills, the Secretary of HUD, after investigating a complaint, would make a determination of finding of discrimination. HUD would then select either an administrative hearing or referral of the case to the Attorney General, to file suit in Federal district court.

The Secretary of HUD must refer cases where States have agencies certified to handle housing discrimination. My State of New Jersey is among the 25 States and one locality having such agencies. Additionally, 3 States and 10 localities are expected to be certified soon. This process would be quicker and easier than going to court. More landlords, realtors, and builders would have incentive to settle if they knew the law would be enforced. Victims would have the possibility of obtaining the selected dwelling and discrimination with impunity would be ended. The purpose of the Fair Housing Act could be fulfilled.

Mr. President, America was established on lofty and precious ideals. Over the years, many have lost sight of some of our most noble standards and goals. It is for us to ever be true to our Nation, to hold the greater society on the highest ground, to apply pressure where will is weak, to instill principles when they are forgotten, to keep alive hope in the hearts and minds of every American, and to believe in and inspire belief in freedom and justice for all.

I thank the Senator from Massachusetts for his persistence in this matter, for giving this opportunity to all of us who believe very strongly that the principles embodied in this Fair Housing Act are essential to each American's self-conception as well as to his self-preservation.

Mr. KENNEDY. I thank the Senator.

Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be charged to the opponents until we get to equal time.

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

Mr. MATHIAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. MATHIAS. Mr. President, I am happy to yield to the distinguished Senator from Missouri.

Mr. DANFORTH. Mr. President, I thank the Senator from Maryland.

Mr. President, I oppose the majority leader's effort to move to consideration of the fair housing bill.

This legislation has been called the most significant civil rights bill of the decade. It has provoked considerable controversy among people of good will—people who share a commitment to the vigorous enforcement of fair housing laws but disagree vehemently on the remedies proposed by this bill. Resolving these difficulties will be no easy matter. We should not attempt to take on that task as a lameduck Congress, at the 11th hour, with other important legislation—including several appropriations bills—facing almost certain death. To argue otherwise, in my view, is irresponsible.

The majority leader knows there is insufficient time to give this legislation adequate consideration. His effort to bring up the bill at this time is not a serious effort to write legislation. It is purely and simply an effort to embarrass those who have concerns about this bill by making them appear to be opposed to civil rights legislation. That argument is a sham. Our duty to legislate responsibly demands that we put over this legislation for reconsideration by the new Congress. That is why I oppose this effort to take up the bill and why I am voting as I am today.

Mr. MATHIAS. Mr. President, the Senate is in the process of considering a vote on cloture so that we might move to consideration of H.R. 5200, the fair housing bill.

I urge my colleagues to allow this matter to come to the floor so that we might proceed to debate this important civil rights legislation.

As my colleagues know, I have introduced this legislation in both this Congress and in the 95th Congress. Twelve years ago I was active in the passage of the fair housing legislation which passed the Congress in 1968.

The text of the legislation has varied in different versions and this bill is somewhat different from that which was originally introduced. But this bill has a very simple goal, to provide a speedy, low-cost enforcement mechanism for individuals who allege they have been discriminated against in their choice of housing.

The lack of an adequate enforcement mechanism for individual housing complaints has been recognized and a remedy urged upon the Congress by every Secretary of Housing and Urban Development since the Department was created in the 1960's. Both Democratic and Republican administration have sought to remedy the oversight, the omission, of the 1968 Civil Rights Act which, as many of my colleagues will remember, was an historic document for that year.

That 1968 law, while giving HUD the responsibility to investigate complaints of housing discrimination, and while giving the agency adequate powers to investigate, gives HUD no real power to remedy housing violations which its investigations reveal. If HUD fails to remedy the violation through conciliation, aggrieved individuals are left to seek redress through private civil actions—a time-consuming and costly process which acts as a deterrent to the complainant.

This legislation has been the product of bipartisan cooperation all during its drafting, hearings, and committee markups, by Members of both the House and Senate. The House version of this legislation passed the House by an overwhelming bipartisan vote of 310 to 95 on June 12 of this year.

As I indicated, this is not a new subject to come before either body. There is a long history of hearings and legislation introduced to deal with the subject of equal access to housing. For example, the House Subcommittee on Civil and Constitutional Rights began hearings in the 92d Congress back in 1971–72 on the Federal Government's role in the achievement of equal opportunity in housing. Nine days of hearings were held documenting that serious inadequacies existed in the present law, that housing discrimination was persistent and pervasive, and that HUD and the Justice Department were without adequate enforcement tools.

In the 93d Congress, the U.S. Civil Rights Commission presented its report entitled "Equal Opportunity in Suburbia" to the House Subcommittee on Civil and Constitutional Rights. That report documented the increasingly segregated housing patterns and attributed it to private sector forces such as real estate steering, redlining, and the demographic shifts which came to be known as the White "flight from the cities." The report also noted a variety of public actions which contribute to housing segregation such as our interstate highway

construction program and local land-use and zoning practices.

Again in the 94th Congress, the House subcommittee held 5 days of hearings again documenting that housing discrimination continued, in more subtle ways, but with the same effect as the more blatant earlier forms of housing discrimination.

During the same 94th Congress, the House subcommittee conducted oversight hearings on equal housing opportunity in rural areas. Those 5 days of hearings confirmed that housing discrimination is national in scope and that discrimination in the private market was overlooked by the responsible Government agencies.

In the Senate in the 95th Congress, S. 571 was the subject of a day of hearings on April 10, 1978—a fair housing bill that I introduced—which included supporting testimony from both the Department of Justice and the Department of Housing and Urban Development for enforcement powers within the Federal Government for individuals housing discrimination complaints.

I might add that the companion bill to my legislation in the House was introduced by my very distinguished Maryland colleague, Representative GLADYS SPELLMAN.

So based on this accumulation of evidence, in the 96th Congress, S. 506 was introduced as was its companion, H.R. 3504, which was subsequently reported as H.R. 5200, and which is now before us.

So we have had a long history of hearings documenting the problem of housing discrimination and the need to provide for an enforcement mechanism for title VIII of the 1968 Civil Rights Act.

And it has been a bipartisan effort all along which I hope will continue to be a bipartisan effort.

One of the major floor managers of the Civil Rights Act in 1968 was Senator Edward Brooke.

Senator Brooke recently addressed the National Association of Homebuilders, on among other things, this fair housing bill and a recent conversation he had with President-elect Reagan.

I would like to read to my colleagues Senator Brooke's recounting of his conversation with Governor Reagan:

I am convinced that President-elect Reagan will support the strengthening our Fair Housing Law which is now unfinished business still before the Lame Duck session of the Congress.

I would like to state the views Ronald Reagan expressed when we discussed this subject last October.

The Governor said that he applauds the Congress's efforts to amend the Fair Housing Act of 1968, and that he wanted Members of Congress to know that they would have his full support as President in their efforts to enact appropriate and effective amendments to the Act.

Governor Reagan said that the Open Housing Act must be enforced, and that means an effective administration that can deal with cases speedily without accumulating an enormous backlog.

He said that merely enforcing the law, or creating more judicial machinery in Washington, is not a sufficient answer to the very real problems of discrimination in housing, for the problem lies in the hearts of our fellow citizens, and that it is to those hearts that he as the President must direct an appeal to justice, to fairness, to reconciliation, and to equal opportunity for all. Governor Reagan said that no President can rest until what he called twelve years ago the "evil sickness of prejudice" has been eliminated from our society.

He further said that the President must use his high office to combat racism and discrimination wherever it exists, and that he must take a committed personal role himself.

The Governor said that ensuring civil rights and full equality before the law are critical responsibilities of a national administration, and that they are responsibilities that he will take to heart. He said that it is encouraging that we have many beneficial laws on the books already, but that the challenge for the 1980's is to make them work well to meet the real needs of our minority citizens. And, in particular, when justice slows to a crawl in remedying instances of housing discrimination, then justice is denied."

I think it is clear from this conversation with President-elect Reagan that the time is clearly upon us for consideration of this important and historic legislation. I urge my colleagues to vote for cloture so that the Senate might work its will.

The PRESIDING OFFICER. All time allocated to the minority leader has expired. The Senator from Massachusetts has 1 minute remaining.

Mr. KENNEDY. Mr. President, I inquire of the majority leader: Since the vote is going to be at 3:30, could we have 6 more minutes? The Senator from Wyoming is a member of the Judiciary Committee, and I think he should be heard for 5 minutes.

Mr. SIMPSON. I do not require any more than 4 minutes.

Mr. KENNEDY. Then, I would like to consume the remainder of the time.

Mr. ROBERT C. BYRD. Mr. President, I would be happy to ask unanimous consent that the automatic quorum under the rule be waived, but I do not know whether this would meet with opposition on the part of any Senator, so that Senators could use the full time between now and 3:30 p.m. for debate.

Mr. KENNEDY. I think the Senator from Utah has indicated agreement with that procedure. The Senator from Utah has given me that assurance from the gallery.

[Laughter.]

Mr. ROBERT C. BYRD. I hesitate to say that any Senator is out of order.

We are checking on that. Let us proceed momentarily. I am checking on it with the Republican side.

Mr. SIMPSON. I say to the majority leader that Senator HATCH advised me that he had relinquished the remainder of the time and reserved just a few moments. That would be the time I would be utilizing.

Mr. KENNEDY. Mr. President, the Senator is correct. I think the problem has been that the time for the Senator from Maryland was on the proponents' time, so he basically used the time of the minority. I had only a couple of minutes remaining. The Senator from Wyoming has stated it accurately. The Senator from Utah asked that time be reserved.

Mr. ROBERT C. BYRD. I now have been able to clear the request with the other side.

I ask unanimous consent, Mr. President, that the automatic quorum call under the rule be waived, that no quorum call be in order prior to the rollcall vote, which will begin at 3:30 p.m., and that the ensuing time be divided equally between the two sides, as heretofore.

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

The Senator from Wyoming is recognized.

Mr. SIMPSON. Mr. President, I appreciate my colleague yielding time to me. I must address a group of freshmen Senators in a moment.

I listened with great interest to the Senator from Maryland (Mr. MATHIAS). He is correct about the House rollcall vote for final passage of H.R. 5200. It was indeed significant. However, I call the attention of all who have been examining this issue carefully to the fact that the vote on the crucial and controversial issue of whether the fair housing law should be enforced through an administrative procedure was 205 to 204 and that several votes were changed in the last moments from nay to yea.

Mr. President, I want to emphasize my view that enforcement of the fair housing law should be strengthened. I know of no Senator who disagrees with that.

Mr. MATHIAS. Mr. President, will the Senator yield at that point?

Mr. SIMPSON. I yield.

Mr. MATHIAS. I believe there is no doubt that everyone agrees that the fair housing law needs to be strengthened. The distinguished former Senator from Massachusetts, Mr. Brooke, has shared with me a conversation he had with President-elect Reagan on this subject, the text of which I have just inserted in the RECORD. I believe it makes clear that there is unanimous support for the concept of fair housing.

Mr. SIMPSON. Mr. President, I agree that support for the concept of fair housing is unanimous in this body. The only major controversies over this bill of which I am aware concern the enforcement procedure to be used, the proper interpretation of the existing statutory standard for determining whether discrimination has occurred, and whether a fair housing bill involving significant controversy should be considered at this point in the session. Those are the issues.

Mr. President, I urge my colleagues not to be misled into believing that their vote against cloture would be a vote against civil rights. That is not the case. I hope we have passed that type of logic. I certainly am not going to be lumped into that category. I am not there and I never have been.

The issues before us relate to fundamental procedural fairness for all parties to a housing dispute and to the proper interpretation of statutory law, as well as allowing proper time for consideration of a bill of this importance, including a conference. We certainly should not adopt the House bill and ignore the hard work of the Senate Judiciary Committee.

I urge my colleagues to consider most carefully and very clearly two needed

provisions that I believe are now lacking in this bill. One provision would provide for an expedited procedure before a neutral judicial forum for the adjudication of fair housing cases, with the right to a jury trial on appeal. The second provision would restore the congressional intent with respect to the standard for determining whether unlawful discrimination has occurred. It would provide that a private act in the housing area, such as refusal to sell or rent a home to a member of a minority ethnic group, or a public act, such as the adoption of a zoning ordinance that has the effect of disproportionately limiting access to housing by persons in a particular ethnic group, could not be unlawful under Title VIII in the absence of an intent to discriminate.

Mr. President, on a later occasion I expect to have some remarks on the procedural issue of whether housing discrimination cases should be adjudicated in a judicial or in an administrative forum and whether a jury trial should be available at some stage in the proceedings.

Today I want to focus my comments on the substantive issue of whether discriminatory intent is and should be required before a violation of title VIII can occur.

I. LEGISLATIVE INTENT

Mr. President, the first matter that should be emphasized is that Congress clearly intended that a violation of title VIII must require discriminatory intent or motivation—in other words, a discriminatory state of mind. That is how the legislation came into being. I agree with that concept totally.

I have here some old, dusty and musty volumes of the CONGRESSIONAL RECORD. They contain some of the legislative history of the Fair Housing Act in the Senate. By the looks of these pages they have not been read too often. Indeed it may be that the copies of these volumes in the law libraries of some, but not all, of our circuit courts are similarly unread. I say this because the opinions of these courts do not reflect much knowledge of the legislative history of the act.

Mr. President, maybe these volumes have not been read more because the print was so small. Well, I have had some of the statements put into good old bold type so that I could read them today for my colleagues. I believe they show unequivocally that the primary sponsors of the bill, as well as all other Senators who spoke on the floor, understood and intended that the law would outlaw only acts based on discriminatory intent. To my knowledge no legislative history has been or could be presented to support a standard that would allow a violation of title VIII to be established solely by a showing of disproportionate effects.

Mr. President, in my view this Congress has a clear duty to protect the legislative process by either correcting the judiciary when it has misinterpreted a statute, or, alternatively to amend the statute to conform to the cases. The practice of passively allowing statutes lawfully enacted by a democratically elected Congress and President to be amended by judicial fiat is undemocratic in the most literal sense of that word—and it is very dangerous.

If my colleagues wish the "intent test" to be in the statute, they should have the courage to say so. I say "courage" because the American public—I have no doubt—would be shocked at the idea that a private individual or public body could be held guilty of an unlawful discriminatory housing practice merely because their actions had unintentionally affected certain ethnic or other groups differently.

Mr. President, it seems to me that in order for Senators responsibly to support the existing statutory language, which is not changed by this bill, they would have to believe that the Congress did intend the "effects test" to be used, despite the extensive legislative history to the contrary and despite the lack of legislative history in favor of such a view. I would ask those who have such a view to present to all Senators any legislative history they may have to support their position.

Mr. President, there are some who seem to believe that courts should ignore the plain meaning of the statute and the intent of Congress, if necessary to do justice. Well, I have observed that we all still enjoy saying we are a government of laws, not men. Yet to ignore the law as intended by the legislators who enacted it, in the service of some allegedly higher goal, is literally to abolish the rule of law and consequently the structure on which depend all of our freedoms.

Mr. President, the first expression of the concept of government by laws and not by men was in Aristotle. I would like to share with my colleagues a very brief quotation from Aristotle's Ethics where he argues that the judge should fill a gap in the law "by ruling as the law giver himself would rule were he there present, and would have provided by law had he foreseen the case would arise."

Mr. President, at this point, I would like to cite some of the legislative history of the fair housing law. I urge my colleagues to listen carefully to this very brief selection.

First, let me quote from the questions and answers on the Fair Housing Act of 1967, which was submitted for printing in the CONGRESSIONAL RECORD when then Senator MONDALE introduced the act:

What exemptions does the act have?

The act forbids refusals only on the basis of race, color, religion or a national origin.

Would the act prohibit a person from refusing to sell or rent for any reason other than race, color, religion or national origin?

No. Other reasons for refusing would continue to be as valid as they are now. . . .

Will a person against whom a complaint of discrimination is issued have to prove that he did not discriminate?

No. The burden of proof rests on the Department of Housing and Urban Development, or the complaining person, to prove that the defending person did discriminate on the basis of race, color, religion or national origin

I would like now to present some comments of Senator Brooke, one of the prime sponsors of the bill.

[This bill] will prevent no one from selling his house to whomever he chooses, so long as it is personal choice and not discrimination which affects his action.

[T]his nearly universal pattern of residential segregation cannot be explained as resulting from economic discrimination against all low-income groups. . . . Thus, racial discrimination appears to be the key factor underlining housing segregation patterns.

What they are really asking for is respect as individuals. They do not want to be denied it merely because their skin happens to be black.

A person can sell his property to anyone he chooses, as long as it is by personal choice and not because of motivations of discrimination.

We must do all that is reasonable and just to guarantee that no individual will suffer for the prejudice or venality of another.

This measure, as we have said so often before, will not tear down the ghetto. It will merely unlock the door for those who are able and choose to leave. I cannot imagine a step so modest, yet so significant, as the proposal now before the Senate.

Senator Brooke cites a 1963 study by the U.S. Housing and Home Finance Agency:

While the study cites a number of related factors inhibiting home ownership among non-whites, it points particularly to racial restrictions as an important deterrent to the availability for new housing for this group.

Although low income is an obstacle to many Negroes in acquiring adequate housing, a large number of Negroes have moved up to middle-class levels of income, and many of these Negroes who have the money want to live in a suitable environment. * * *

Senator Brooke went on to say:

But often the Negro cannot realize this aim because he is surrounded by a pattern of discrimination based on individual prejudice. * * *

I now would like to present some statements of Senator Tydings, another major sponsor of the legislation:

[P]urposeful exclusion from residential neighborhoods particularly on grounds of race, is the rule rather than the exception in many parts of our country.

I believe that landlords and property owners should be free to demand proper qualifications of prospective tenants or home buyers, such as adequate income, good credit record, proper family size to insure against overcrowding and so forth. But I firmly believe that sellers and landlords must deal with everyone fairly and equally, by not excluding anyone from residences solely because of race, religion, or national creed.

[T]here is nothing that would prevent a person from selling his property to a relative, a friend, a business acquaintance, or a personal acquaintance. What it does do, however, if he puts it up for public sell, is prohibit discrimination on the basis of race, religion, or color.

Senator Tydings quotes President Johnson in his 1968 civil rights message to Congress:

Every American who wishes to buy a home, and can afford it, should be free to do so.

Senator Tydings quotes Attorney General Ramsey Clark:

There is nothing in [this title] to prevent personal choice, where personal choice, not discrimination, is the real reason for action. * * * It would simply assure that houses put up for sale or rent to the public are in fact for sale or rent to the public. It would assure that anyone who answered an

advertisement for housing would not be turned away on the basis of his race.

I could go on with these statements but let me just say that it is very, very clear from the legislative history of the act that it was about discrimination and that discrimination was about actions motivated by racial and other prejudice. I invite my colleagues to peruse the legislative history contained in these volumes.

II. THE MERITS

Mr. President, this Congress is not, of course, bound to agree with the intent of a previous Congress. However, if it does not, it should amend the statute accordingly. Personally, I believe that the test of discrimination understood by the 90th Congress—the intent test—is the test most consistent with traditional American ideals and with the desires of the American people.

I hope my colleagues will remember exactly what sanctions will be available to enforce title VIII: They would include a $10,000 fine and "such other relief as may be appropriate." It is the position of proponents of this bill in its present form that this could include out-of-pocket costs. In addition, the defendant is in effect labeled a violator of civil rights. The curse is put on him.

Several of these remedies are punitive in nature and in my opinion should not be imposed without any wrongful purpose on the part of the defendant. The criminal law requirement of a guilty mind—or mens rea as the professors like to call it—is a perfect analogy.

III. ZONING

Mr. President, I want to make a few specific comments on this issue in the zoning context.

Do my colleagues realize that if the effects test were consistently applied in the zoning area, very few, if any, zoning ordinances would be lawful?

Most efforts to promote community health, safety, beauty, residential character, property values, and other laudable objectives, have the effect of increasing the cost of housing and, therefore, the effect of limiting access by lower income individuals. Since various ethnic and other population groups differ in their wealth and income characteristics, the impact of zoning or other land use practices on various groups is disproportionate. So-called underrepresentation of some groups and over-representation of others is thus inevitable if we are to have the benefits of zoning and other land-use planning.

In addition to advocating an "effects test" based on the issue of whether or not actions have the effect of limiting access by protected groups disproportionately, some social engineers in this country seem to believe that an additional step should be taken to get away from congressional intent. A broader effects test would make unlawful even actions which have the effect of limiting access to all groups equally, but which would thereby delay the achievement of "proportionate" representation for the protected groups. Such a test would make unlawful local practices by predominantly white communities that tend toward maintenance of the character of the community, not in the racial sense, but in the sense, for example, of placing limitations on new construction or in other policies designed to maintain the existing population density and suburban or rural lifestyle.

Mr. President, there are few actions that present such a potential for ethnic conflict as the interference by the Federal Government in local land use decisions which have been made for enintent to discriminate, the Federal Govnot consistent with the "visions of the good" as held by certain well-meaning but rather tunnel-visioned folk in Washington, D.C.

I strongly urge my colleagues not to allow HUD, DOJ, or the Federal courts to go further down this very dangerous road.

Let me emphasize that although the most timely area of controversy is zoning—because of certain recent initiatives of the Department of Justice in which the effects test is being applied—there is even less justification for enlisting the power of the Federal Government against private individuals who have not intended to do any wrong. If the owner of a small apartment building has imposed a rule that tenant's incomes be at least equal to a certain multiple of rent or that there should be no children because of the desires of his tenants, and he has no intent to discriminate, the Federal Government should not interfere to reduce his freedom.

IV. NO UNAMENDED BILL SHOULD GO FORWARD

Mr. President, at this point I want to explain why I believe that if this bill is to go forward, congressional intent must be restored and the dispute among the circuits resolved now, and not left to the Supreme Court or a later Congress.

First, the Senate bill expressly provides for the intent test in two specific situations: Minimum lot size zoning ordinances and real estate appraisals. I introduced the first of these provisions myself and supported the second in committee because the broader amendment offered by Senator HATCH was defeated in earlier committee votes even though there is no principle which can justify the intent test in these specific situations, but not in others.

The combination of these two specific provisions with the committee's defeat of the broader intent test amendment and the language of the committee report, which inaccurately describes existing law, are likely to be cited as evidence of the intent of this Congress that an effects test should generally be applied.

Second, the strengthening of title VIII's enforcement makes it imperative that the proper legal standard be applied to determine whether discrimination has occurred. The opportunity for serious harm to defendants who have intended no wrong is obviously much greater, the stronger the enforcement available.

V. EASE OF PROSECUTION

Mr. President, the primary argument against an intent test is that it would be more difficult for HUD and the complaining persons to win cases.

I say to my colleagues frankly that I find this concept to be very, very disturbing. Since when has fairness or justice been determined by whether it consistently benefits one class or another in a particular type of controversy?

Indeed, this argument totally begs the question, which is: What does Congress seek to accomplish? Does it seek to prohibit discriminatory actions, or rather does it seek to prohibit any actions—or even any omissions—that do not have the effect of providing the most housing for favored groups? If it is the former, then not only should the proper test make the prosecution of cases that do not involve discriminatory intent more difficult, the test should make this impossible.

Mr. President, I want to emphasize that a state of mind requirement in this area does not require mindreading, any more than such a requirement does in other areas of both civil and criminal law. Discriminatory intent may be shown by circumstantial evidence such as the historical background of a decision, the specific sequence of events leading up to the challenged action, whether or not there were any departures from regular operating procedures, contemporary statements of involved parties, as well as the disproportionate impact or effect of an action. These factors were noted by the Supreme Court in the famous Arlington Heights case, in which the Supreme Court held that a showing that the act of a local government had a disproportionate effect on different ethnic groups is not sufficient in itself to establish a violation of the 14th amendment.

Furthermore, the intent test does not require a showing that the discriminatory intent was the only motivation for an act. Once any discriminatory motive has been shown, the burden is shifted to the defendant to prove that the same decision would have resulted even without the improper motive.

According to some, the effects test is only a shifting of the burden of proof upon a showing by the plaintiffs of discriminatory effect. The defendant would then be required to prove, by a preponderance of the evidence, that his purpose was not discriminatory. Even if the effects test were limited to a shifting of the burden of proof, it would be improper and it should be remembered that this burden shifting theory is not the theory which the Justice Department appears to be applying nor the theory of all the courts supporting an effects test.

A shifting of the burden of proof to the defendant is not common in the law. It has generally been used when the defendant's position is inherently less plausible, for example, when the legislature makes a finding that certain fact situations are generally linked so that the proving of one would create a rebuttable presumption that the second existed, or if the defendant is in a unique position to ascertain and prove the material facts. The first situation does not appear applicable at all, since there is no necessary connection between discriminatory effect and discriminatory intent. The second situation is also not applicable. The plaintiff's burden in proving the existence of discriminatory intent through circumstantial and other evidence, such as express statements, in-

cluding those available through subpena, is no more difficult than a defendant's burden in showing the absence of any improper intent, which is the proving of a negative, a most difficult task, as we all have come to know. I remind my colleagues that the plaintiff must show only that an improper intent was involved. He need not show that it was the only intent. At that point under existing law, the burden of proof shifts to the defendant.

VI. CIRCUIT COURT CASES APPLYING THE "INTENT TEST"

Mr. President, I had intended to conclude my remarks with a discussion of several circuit court opinions which state that title VIII calls for an intent test, not an effects test, but I will leave that to another occasion in the next couple of days.

Mr. KENNEDY. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by my colleague, Senator TSONGAS, who would be here today if it were not for a death in his family.

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

STATEMENT BY SENATOR TSONGAS

I support H.R. 5200, the Fair Housing Amendments of 1980. This legislation started out as the Amendments of 1978, and has been debated, discussed and amended for two sessions of Congress.

Today we have the opportunity to end, at last, the long delay in providing strong and effective remedies for victims of housing discrimination.

I was an original co-sponsor of S. 506, the Senate version of this bill, and to my mind, H.R. 5200 represents both a reasonable and responsible attempt to give our fair housing law the clout which is lacking in the current statute, while balancing and protecting the rights of all parties.

Let us make no mistake about the necessity of this added clout. Without this legislation, we cannot make progress towards eliminating housing discrimination in the United States. Twelve years of experience with Title VIII of the Civil Rights Act of 1968 has revealed significant inadequacies in our Fair Housing Law. The enactment of H.R. 5200 is critical, if we are to address those inadequacies.

The most critical weakness of the current law is the lack of an effective enforcement mechanism. We can currently offer the victim of housing discrimination the tools of persuasion, conciliation, or costly and extended private federal litigation to counter the forces of discrimination. The ineffectiveness of those tools for many cases is dramatically underscored by a 1979 HUD survey which revealed that a minority person stands a 75 percent chance of encountering housing discrimination.

It is long past the time when we need to say that enforcement which is based on pursuasion, conciliation, or a private suit which will be both too costly or be decided too late is not acceptable, and is not an honest attempt to implement the national policy against racial discrimination. We cannot say that we support the principles of fair housing and fail to translate that support into a strong and effective law against housing discrimination.

H.R. 5200 was passed by the House last June by a vote of 310 to 95, and had the strong support of both Democratic and Republican leaders in the House Judiciary Committee. Now the Senate has the opportunity to fulfill the promise which was made in the Civil Rights Act of 1968, and to provide effective fair housing laws for the first time in our nation's history.

Mr. KENNEDY. Mr. President, I wish the Senator from Wyoming could remain in the Chamber to hear my response to his comments.

He has stated accurately the two important issues that must be resolved. One is the enforcement provisions and the other is the intent provisions. Those are key elements of this legislation. There was considerable discussion within the Judiciary Committee on those particular matters.

The Senator from Wyoming is quite correct that those are the two essential issues that were considered in the course of our hearings and our discussions in the full Judiciary Committee, and they should be debated on the floor of the Senate.

However, aside from those issues—and they are extremely important—I do not believe there really are other issues at stake in this legislation. Perhaps our colleagues have amendments on other provisions, but that is the heart of the area of controversy. Those issues have been debated and discussed for some period of time, and the RECORD is replete with the reasons for or against—on the enforcement provisions and on the intent and effect provisions.

But those are issues that should be decided here in the Senate Chamber, and I am convinced that we could get a reasonable period of time to debate those and let the Senate make a judgment on those issues and no matter how the Senate comes out, I am absolutely convinced that we could get a swift conference with the House of Representatives and also report back to the Senate on a conference bill.

But I think those are the two items, and the Senator from Wyoming has stated them quite accurately, but the Senate should not end this session without addressing those two issues. I still hope that we are going to be able to gain the votes for cloture and then we would be able to have a debate and discussion on those two major items.

A final point I wish to make, Mr. President: The fact is, as has been pointed out, this measure is a bipartisan effort by Republicans as well as Democrats, as the major civil rights legislation has been over the period of years. But we should make no mistake about it. The eyes of the country are really going to be on the Senate this afternoon to see whether we are going to uphold our longstanding and historic commitment to full equality that was really begun in the early part of the 1960's in the range of civil rights legislation. The time is fast approaching when this body is going to vote on that question, and I am certainly hopeful that we are going to make it extremely clear that Republicans and Democrats alike are going to seek once again to see advancement in an important area of the human condition and that we are going to take the steps which are going to eliminate the last vestiges of discrimination in the important area of housing for all Americans.

Mr. President, I yield such time as the Senator from Alabama desires.

Mr. HEFLIN. Mr. President, I am for an equitable, fair, and just fair housing bill. I am opposed to House bill H.R. 5200. I am for the Senate judiciary bill S. 506 with a few changes.

It is obvious to me that the plan of action is now to force the House bill on the Senate. There is not time for a conference committee approach. Already organizations supporting the fair housing bill have put out memorandums saying, "Support H.R. 5200 without amendments." There is no question in my mind that if the fair housing bill is brought up the direction will be to pass the House bill without any amendments.

I have spent a year and a half trying to work to present to the Senate in the Judiciary Committee an equitable, fair, and just fair-housing bill. We in the Judiciary Committee developed an independent administrative law judge tribunal which will provide independence and eliminate the combination of investigator, prosecutor, grand jury, and trial judge concept in administrative agencies.

The House bill puts the administrative law judge tribunal in the Department of Justice. The Attorney General has the power to fire administrative law judges for cause. This is unworkable: One arm of the Department of Justice will be involved in prosecuting cases under the fair housing bill; another arm will be acting as an administrative law judge tribunal.

To me, if there is any concept we must protect, it is separation of powers. It is sometimes questionable in the administrative tribunals. H.R. 5200 tribunal is the most blatant violation of any that I have ever seen or heard about.

This concept, in my judgment, violates all concepts of fairness and justice. One arm of the Justice Department would be involved in prosecuting cases under the fair housing bill, another acting as the administrative law judge.

Therefore, I am opposed to this effort to force the House bill upon the Senate.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, I yield such time as the Senator from Oklahoma may desire.

Mr. BOREN. Mr. President, the issue with which we are confronted on the vote to impose cloture on the fair housing legislation is, indeed, a complex one. I simply want to share with the Senate the dilemma in which I find myself trying to make a decision as to how to vote on this motion.

I am a strong supporter of fair housing. I believe the present laws relating to fair housing need to be strengthened. At the same time, I have grave misgivings about the House-passed bill.

If there is any message that the American people have tried to send to us through the elective process, through letters I have received from my own constituents, and communications, it has been that they have been at the mercy of the bureaucracy long enough, that they want to assure that their rights are protected through impartial tribunals, and if they are accused by any organization of the Government of violation of the

law, they want the right to a fair and impartial trial on the issues.

I have to say that the House bill as now written does not in my mind provide sufficient guarantees for that right, and sufficient protections against the power of the bureaucracy.

So while I hope to see this Congress this year consider and adopt an appropriate fair housing bill I, at the same time, find myself in the position of not being able to vote for the House-passed measure.

Therefore, as I ponder my decision on the cloture vote I will have to weigh what I feel are the chances of substantially modifying the House-passed bill and enacting those modifications into law.

I would not want to cast a vote which would enable the House-passed bill to be enacted into law and signed by the President without substantial modification. I think it is a dilemma shared by many of my colleagues.

I think it is unfortunate that we are put in this position at this moment. I wish there were some way we could be given assurance that independent tribunals would be provided, the kind of proposal made by the Senator from Arizona (Mr. DECONCINI) and others which could be incorporated into the bill, as I think there would be a large majority in this Senate in favor of fair housing legislation with those kinds of protections included in it.

I yield the floor.

Mr. HATCH. Mr. President, let me summarize once more my concerns with the pending measure, H.R. 5200. I would emphasize again the fact that this bill has never been considered by the Senate or any of its committees or subcommittees.

PROBLEMS WITH THE FAIR HOUSING ACT EFFECTS TEST

Both H.R. 5200 and S. 506 would read into the present Open Housing Act a test for determining discrimination that focuses upon the "effect" or "disparate impact" of a public or private action, rather than upon the intent or purpose or motivation behind the action. This test has been increasingly employed against local zoning and land-use practices and comes dangerously close to reading into the act a classification prohibiting "discrimination" on the basis of "economic status." Through use of the effects test, suits have been brought against communities on the basis of minimum lot-size requirements, limits upon apartment construction, restrictions upon group homes in residential neighborhoods, refusal to rezone for public housing, and so forth.

Unlike the traditional intent test for discrimination, the effects test looks primarily to statistics in determining the existence of discrimination. The Supreme Court has made clear that violations of the constitutional standard of "equal protection" require proof of intent, although it has made no decision as to whether or not congressional enactments can establish a lesser standard. The circuit courts are split on the issue. The intent test does not require overt expressions of bigotry but enables courts to look at whatever direct or circumstantial evidence is available in determining intent, including the effects or disparate impact of an action.

Administrative process: H.R. 5200 and S. 506 would establish an administrative process for resolving housing discrimination complaints. The major objections to this are the fact that it affords no opportunity for either party to request a jury trial; a violator of the act is subject to a $10,000 fine, "such other relief as may be appropriate," and the stigma of being labeled a civil rights violator. The fact that it affords no opportunity for an accused party to have his case heard before a truly neutral and independent arbitrator. Administrative law judges (ALJ's) are appointed by executive agencies and will inevitably be subject to the pressures of whatever constituencies are closest to the appointing agencies, that is HUD, DOJ, or Fair Housing Review Commission. Further, the ALJ process is totally ill equipped to be deciding cases of this character—where there may be two genuinely private and adversarial parties. This, is a far cry from the traditional use of the ALJ process—resolution of social security complaints, transportation rate regulation cases, and so forth.

Insurance regulation: H.R. 5200 would extend the coverage of the Open Housing Act, for the first time, to property insurance activities. The issue here is not the propriety of regulating discriminatory insurance practices, but the level of government. The States have regulated this area for many years without serious complaint.

Appraisal practices: H.R. 5200 would authorize HUD to continue practices whereby it limits the ability of property appraisers to honestly evaluate property value, as well as limits appraisers' first amendment rights. HUD has issued regulations that prohibit appraisers from using such terms as "church," "synagogue," and a variety of other "code words" in a misguided effort to homogenize neighborhoods. Fictitious property values are of no long-term benefit to sellers, purchasers, or lenders. Appraisers are already covered by the act for genuinely discriminatory activities.

Testers: H.R. 5200 would authorize HUD to employ "testers" on a random basis to, in effect, entrap home sellers into violations of the law.

● Mr. WEICKER. Mr. President, as a cosponsor of S. 506, I am pleased to speak in support of the passage of this legislation. These amendments are sorely needed to correct weaknesses in the Fair Housing Act of 1968. Although this law was enacted more than a decade ago, HUD figures show that the practice of housing discrimination still exists widely across the Nation.

In acting on this legislation, it is important that Congress provide a mechanism that will allow for fair and effective enforcement of Federal housing discrimination laws. The House has proceeded toward this end by passing H.R. 5200 which would use administrative law judges to adjudicate housing discrimination complaints. Although this proposed procedure has generated some controversy, the placement of these judges under the Department of Justice should provide an impartial forum for the resolution of these complaints. In addition, the House has moved to include coverage of the handicapped under this bill. I commend the House for responsibly addressing this issue.

Although S. 506 has given rise to some concern at the local level over the issue of zoning practices, it in no way removes the power of local governments to issue zoning ordinances. Furthermore, this bill would not give the Secretary of HUD the power to change local zoning regulations.

Clearly the need for the passage of this bill is urgent. Twelve years ago Congress acted to resolve the problem of housing discrimination, however, the resulting legislation was not adequate to deal with the sophisticated methods of discrimination which subsequently developed. We now have the opportunity to address this problem and to provide the tools necessary to insure the effective enforcement of both the spirit as well as the letter of the law.

The intent of H.R. 5200 is to insure equal access to housing opportunity for all American citizens, not to override local zoning regulations or to make HUD the accuser, prosecutor, judge and jury in discrimination complaints.

I would hope that any controversial aspects of this legislation will be thoroughly debated and properly addressed. It is important that the Senate proceed and responsibly address the loopholes in the 1968 Fair Housing Act, as did the House, and pass H.R. 5200 in as strong a form as the bill reported by the Senate Judiciary Committee.●

● Mr. GLENN. Mr. President, the Fair Housing Amendments Act of 1980—H.R. 5200—is now before the Senate for possible consideration. I strongly urge passage of this extremely important legislation for all Americans. Although I am a cosponsor of S. 506, I also support the similar House version—H.R. 5200—which was passed on June 16, 1980.

I am pleased to say that since the Senate Judiciary Committee favorably reported S. 506 on August 20, 1980, I have taken an active role in attempting to bring the fair housing bill before the Senate for consideration. On September 19, 1980, I joined 25 other Senators in signing a letter to our distinguished majority leader which voiced our strong support for S. 506 and urged him to schedule the bill for floor action. Again on November 21, 1980, I joined 31 other Senators in signing a similar letter to our distinguished majority leader.

Mr. President, the Fair Housing Amendments Act of 1980 will amend title VIII of the Civil Rights Act of 1968 by providing a strong and comprehensive administrative enforcement mechanism with which to combat racism and discrimination in housing. The bill will put teeth in our fair housing laws. Moreover, it will expand the coverage of our fair housing laws to include handicapped citizens. Because the legislation provides

for prompt and efficient resolution of complaints, it is a viable alternative to expensive Federal court litigation. This legislation fulfills a promise of fair and decent housing which was made to the American people 12 years ago—a promise which has, until now, proven to be largely an empty gesture. It is for this reason, Mr. President, that I strongly support the Fair Housing Amendments Act of 1980, and I urge my Senate colleagues to join me in seeking passage of this legislation.●

IMPROVEMENTS IN FAIR HOUSING LAWS NEEDED

Mr. BIDEN. Mr. President, I support H.R. 5200, the Fair Housing Act Amendments of 1980.

The purpose of this legislation is to provide greater enforcement powers to the Federal Government in order to prevent discrimination by race, sex, religion, color, national origin, or handicap in the sale or rental of housing.

Discrimination in housing is the fundamental root of racial segregation. Racially discriminatory private housing practices, as well as discriminatory practices in the operation of public housing programs, have contributed heavily to the isolation and segregation of many American communities today.

This in turn has created segregated school systems. And by preventing blacks and other minorities from living in the communities of their choice, housing discrimination has denied the mobility necessary to obtain equal employment opportunities.

Housing discrimination manifests itself in many ways:

Public housing policies have promoted segregation within many publicly owned and operated housing projects.

Discrimination in Government mortgage insurance programs operated by the Farmers Home Administration, Veterans' Administration, and Federal Housing Administration have also contributed to racially identifiable neighborhoods.

Racially restrictive covenants have limited rental housing opportunities to many persons.

Redlining and discriminatory lending practices have limited the ability of minorities and women to obtain mortgage financing.

Discriminatory practices of the real estate industry, including limiting access of minority realtors to realty associations and multilisting services, refusal by white realtors to co-broke on transactions fostering racial integration, block busting, steering and other practices have also limited housing choices for many Americans.

Mr. President, title VIII of the 1968 Civil Rights Act outlawed many of these practices. However, this act failed to prescribe adequate enforcement powers to the Department of Housing and Urban Development to carry out its mandate. HUD has had to rely on conciliation and mediation in an attempt to end discriminatory practices. In many cases, conciliation and mediation attempts have been unsuccessful.

In 1973, 2,763 discrimination complaints were reported to HUD. This number rose to 3,391 complaints in 1977. Of those complaints, approximately 70 percent were filed by blacks charging racial discrimination in the sale or rental of housing.

Conciliation conferences were called in approximately 21 percent of all complaints. However, only half of these conferences were successful in resolving the discrimination complaint. In the remainder of the cases, the parties either had to turn to the court system for relief or the complaint went unresolved.

A further indication of the continued existence of discriminatory housing practices was the survey conducted by the national commission against discrimination in housing during 1977. The survey made over 3,200 test visits to realtors and landlords in 40 metropolitan areas throughout the country.

The results indicated that 29 percent of rental agents and 21 percent of all sales agents discriminated against blacks. The chance of any black encountering discrimination in visits to any four realty agents was 75 percent for rental housing and 62 percent for the sale of owner-occupied housing. The study concluded that significant housing discrimination still existed in many areas of the country.

A recent survey of American housing characteristics indicated that blacks were still disproportionately underrepresented in suburban housing. Although blacks owned 6.6 percent of all new housing units built between 1970 and 1975, only 3.3 percent of such new housing in the suburbs were owned by blacks. The statistics for rental housing reveal a similar pattern—while 11 percent of all new rental housing was rented by blacks, only 7.2 percent of new suburban rentals were occupied by blacks.

Because many new job opportunities have been created in suburban areas, lack of housing opportunities for blacks in suburbs means a loss of employment opportunities.

A number of studies by the General Accounting Office, the Civil Rights Commission, the leadership conference on civil rights, and other civil rights groups have highlighted the inadequacies of the present system. These inadequacies include:

First. Inability of HUD to order temporary or permanent relief for persons discriminated against by realtors or landlords;

Second. Lack of authority for HUD to initiate investigation of individuals or groups practicing discrimination;

Third. Lack of authority for the Attorney General to file suit on behalf of individuals;

Fourth. Lack of adequate staffing and budget for HUD to enforce title VIII complaints; and

Fifth. Lack of systematic procedures within HUD to investigate and conciliate complaints.

Mr. President, the bill before us today addresses many of the present inadequacies in the law.

First, temporary relief may be ordered by a Federal judge for persons who are victims of discrimination if it is likely that such discrimination may deprive an individual of a home or apartment before proceedings under a court or administrative law judge can be completed.

Second, under the administrative grievance system provided for in the bill, administrative law judges may order appropriate relief to plaintiffs including civil penalties, compensation for out-of-pocket losses and equitable relief.

The bill also expands the authority of the Department of Housing and Urban Development to investigate discriminatory practices which may be a violation of the act.

The bill also mandates that cases be referred to State and local fair housing agencies if such agencies have laws substantially equivalent to the Federal laws.

H.R. 5200 authorizes additional funds to increase staffing for the Department of Housing and Urban Development in order to investigate fair housing complaints.

I believe that these changes will substantially improve the ability of the Federal Government to enforce the fair housing laws presently on the books. Under the new administrative grievance procedure, an aggrieved person may bring a complaint before an administrative law judge. The administrative law judge may hold an evidentiary hearing and may order remedies for the relief of the complaint if a showing of discrimination is made. A final order of the administrative law judge may be appealed to an appropriate Federal court of appeals.

I also believe that the new administrative law judge procedure will provide adequate safeguards to protect rights of landlords and realtors, as well as to victims of discriminations.

In addition to the procedural safeguards contained in the Administrative Procedures Act, the bill contains a number of other protections for parties involved in such litigation:

Prevailing parties, not just plaintiffs, are entitled to collect reasonable attorney or expert witness fees.

To obtain a temporary restraining order, the Secretary of HUD must refer the charge to the Attorney General who must ask a Federal district court judge for preliminary relief. Only a Federal judge may prevent the sale of a house or lease of an apartment prior to the disposition of the case.

If a court should order a temporary restraining order against a respondent and if no violation is found, the respondent may receive compensation for economic loss incurred during the period of the injunction.

In cases involving novel issues of law such as zoning practices, these cases must be referred to the Justice Department for disposition in Federal courts.

All decisions from both the administrative and judicial routes are subject to appeals in a higher Federal court.

The bill directs courts to expedite the consideration of title VIII cases. The current backlog of civil rights cases has caused delay in the resolution of such cases. Many Federal cases take up to 24 months to resolve.

In my opinion, these provisions offer a great deal of protection for all parties in such litigations.

Mr. President, what is at stake here is whether or not we will have a fair and workable system of enforcement for our fair housing laws.

The opponents of this bill argue that we should leave the problem of housing discrimination to the Federal courts, but, for the average citizen seeking to find housing, the existing enforcement system alone is not an effective remedy.

Litigation is expensive and time-consuming. The average citizen or the small realtor or landlord does not have the time nor money to go before a Federal court.

For the average person making $14,000 a year and seeking a home, the Federal court system is a poor alternative. If you have been discriminated against, it will cost you $2 to $5 thousand to pay for a full jury trial. It will probably cost you 1 or 2 weeks in lost time at work.

And even if the court finds in your favor, 10 or 20 months later, it is likely that the apartment or home which you were seeking will no longer be available. It is likely that the realtor will have sold the home or rented the apartment to another person.

It is little wonder that many persons do not even bother to follow through with their complaints.

Under the enforcement system envisioned under this act, the aggrieved person would be entitled to a hearing before an administrative law judge. This procedure need not involve batteries of lawyers on each side but allows the person to present their case in a fair and timely fashion. It would be quicker and more effective in delivering justice than the existing system.

This enforcement procedure should also encourage the aggrieved party and respondent to conciliate complaints.

Mr. President, I believe that it is vitally important that we pass the Fair Housing Act Amendments of 1980 this year. We need to fulfill the promise of the 1968 Civil Rights Act.

The consequence of not fulfilling that promise means that many thousands of Americans will be deprived of the home of their choice. I believe that the legislation before us today is a fair and workable solution to one of the remaining gaps in the enforcement of our fair housing laws.

I urge my colleagues to support the measure on the floor.

Mr. METZENBAUM. Mr. President, I rise to address in the strongest terms my support for the Fair Housing Amendments Act.

This legislation has one simple and vitally important purpose; and that is to finish the job of eliminating unlawful housing discrimination in this country. We began that job in 1968, with passage of a Fair Housing Act that outlawed discrimination in housing on the basis of race, color, religion, sex, or national origin. But that legislation was little more than an expression of principle. It did not provide effective remedies to insure that housing markets would, in fact, be open and fair.

If we fail to enact the bill that is before us today, we thereby serve notice to the people of this country that the 1968 act will remain an empty promise.

We will serve notice that discrimination may continue unabated—just as it has in the 12 years since the original legislation was enacted.

Mr. President, the Judiciary Subcommittee on the Constitution held 6 days of hearings on the Fair Housing Amendments Act. The subcommittee heard from witnesses ranging from Government officials to civil rights advocates. And the weight of that testimony established beyond question the compelling need for legislation to expand both enforcement and coverage under the original act.

Let us first look at enforcement. Under current law, public enforcement is vested in the Attorney General and the Secretary of Housing and Urban Development. After an investigation, the Attorney General may file suit if a "pattern or practice" of discrimination has been found. He or she may also file suit if a practice denies any protected group rights granted by the law and involves an issue of general public importance.

The Secretary of HUD, however, has no comparable authority. The most he or she can do is to investigate alleged discriminatory practices. If there is reasonable cause to believe the law has been violated, the Secretary may only seek to resolve the complaint by "informal methods of conference, conciliation, and persuasion." There are no additional powers. The Secretary may not go to court, institute arbitration, or in any other way compel a discriminator to stop or to pay damages.

Existing law also empowers private individuals to institute civil actions in State or Federal court. But there is no convenient and accessible administrative mechanism established to resolve disputes about discrimination in housing.

The Fair Housing Amendments Act would establish a streamlined administrative procedure within HUD. Administrative law judges experienced in fair housing issues would be available to aggrieved persons. Cases would be heard by specialists in the field rather than by judges dealing with a multitude of different topics. Time-consuming and expensive court cases would be replaced by simple and straightforward administrative hearings. And HUD would no longer be left spinning its wheels. Under present law, the time and money spent by HUD to investigate a complaint are often wasted. Without enforcement power, HUD lacks authority to resolve the complaint. And in an era of great concern about the high cost of Government, does it really make sense for a department to use its resources to investigate problems about which it can do virtually nothing?

Mr. President, the existing enforcement system is woefully inadequate. It does not protect the rights of the victims of discrimination. It is cumbersome and costly. And it is least accessible to those who need it most.

It is also important to note, Mr. President, that this legislation would also expand the coverage of the Fair Housing Act to include the handicapped. Testimony at the hearings demonstrated that handicapped persons have been victimized by arbitrary and unfair discrimination—discrimination similar to that suffered for so long by persons already protected by the 1968 act. There is no justification for depriving anyone of the opportunity to rent an apartment solely because he or she is blind or confined to a wheelchair.

Mr. President, this legislation is without question the most important civil rights legislation of this Congress. It is, in fact, the most important bill in this area since the 1968 Civil Rights Act. It has the deep and enthusiastic support of the leadership of the entire civil rights community. Major labor, religious, women's, and black organizations strongly support it.

I cannot stress enough the importance of this bill. The need for fair and open housing markets throughout our Nation is urgent. If Americans are truly to live in peace and harmony we cannot countenance practices that systematically deprive our people of the full promise of American life. If Americans do not have a free choice of where to live, then how can we say that we are a land of equality?

This legislation transcends party and politics. It protects fundamental American values of decency and justice. I urge my colleagues not to obstruct this bill, not to bury it in partisan politics or procedural roadblocks. And I say that there will be no clearer statement to the American people of this body's commitment to equal justice under law for all citizens than how it votes on the Fair Housing Amendments Act of 1980.

● Mr. HAYAKAWA. Mr. President, although I am voting against the motion to invoke cloture on the motion to proceed to the Fair Housing Amendments Act of 1980, H.R. 5200, I want to assure my distinguished colleagues that I am sensitive to the need to protect every individual's constitutionally guaranteed civil rights. To proceed to a bill of this magnitude under the haste and pressure of a lameduck session is at best irresponsible. I urge my colleagues to proceed to consideration of this issue in the early weeks of the 97th Congress. Too many people in too many areas of their lives would be affected by the passage of this bill. We must carefully examine this issue in full and open debate.●

CLOTURE MOTION

The PRESIDING OFFICER. The hour of 3:30 having arrived, under the previous order and pursuant to rule XXII, the Chair lays before the Senate a pending cloture motion, which the clerk will state.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to the consideration of H.R. 5200, an act to amend title VIII of the act commonly called the Civil Rights Act of 1968 to revise the procedures for the en-

forcement of fair housing, and for other purposes.

Robert C. Byrd, Edward M. Kennedy, Thomas F. Eagleton, Carl Levin, Alan Cranston, Howard M. Metzenbaum, Paul S. Sarbanes, Donald W. Riegle, Jr., Max Baucus, Daniel Patrick Moynihan, Birch Bayh, Rudy Boschwitz, Jennings Randolph, Charles McC. Mathias, Jr., Joseph R. Biden, Jr., John Glenn.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the motion to proceed to the consideration of H.R. 5200, to amend title VIII of the act commonly called the Civil Rights Act of 1968 to revise the procedures for the enforcement of fair housing, and for other purposes, shall be brought to a close?

The yeas and nays are automatic under the rule. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Kentucky (Mr. FORD), the Senator from Montana (Mr. MELCHER), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Virginia (Mr. HARRY F. BYRD, JR), the Senator from Alaska (Mr. GRAVEL), and the Senator from Louisiana (Mr. LONG) are necessarily absent.

I also announce that the Senator from Massachusetts (Mr. TSONGAS) is absent because of death in the family.

I further announce that, if present and voting, the Senator from Massachusetts (Mr. TSONGAS) and the Senator from West Virginia (Mr. RANDOLPH) would each vote "yea."

Mr. STEVENS. I announce that the Senator from Maine (Mr. COHEN) and the Senator from Pennsylvania (Mr. SCHWEIKER) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted—yeas 51, nays 39, as follows:

[Rollcall Vote No. 500 Leg.]

YEAS—51

Baucus	Glenn	Mitchell
Bayh	Hart	Morgan
Biden	Hatfield	Moynihan
Boschwitz	Heinz	Nelson
Bradley	Huddleston	Packwood
Bumpers	Inouye	Pell
Burdick	Jackson	Percy
Byrd, Robert C	Javits	Proxmire
Chafee	Kassebaum	Pryor
Church	Kennedy	Riegle
Cranston	Leahy	Sarbanes
Culver	Levin	Sasser
DeConcini	Magnuson	Stafford
Dole	Mathias	Stevenson
Durenberger	Matsunaga	Stone
Durkin	McGovern	Weicker
Eagleton	Metzenbaum	Williams

NAYS—39

Armstrong	Hatch	Roth
Baker	Hayakawa	Schmitt
Bellmon	Heflin	Simpson
Bentsen	Helms	Stennis
Boren	Hollings	Stevens
Cannon	Humphrey	Stewart
Chiles	Jepsen	Talmadge
Cochran	Johnston	Thurmond
Danforth	Laxalt	Tower
Domenici	Lugar	Wallop
Exon	McClure	Warner
Garn	Nunn	Young
Goldwater	Pressler	Zorinsky

NOT VOTING—10

Byrd, Harry F., Jr.	Gravel	Ribicoff
Cohen	Long	Schweiker
Ford	Melcher	Tsongas
	Randolph	

The PRESIDING OFFICER (Mr. LEVIN). On this vote, the yeas are 51, the nays are 39. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

CLOTURE MOTION

Mr. ROBERT C. BYRD. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to H.R. 5200.

Edward M. Kennedy, Max Baucus, John Culver, Joe Biden, Bill Bradley, Adlai Stevenson, John H. Chafee, William Proxmire, Howard M. Metzenbaum, Spark Matsunaga, John A. Durkin, Daniel P. Moynihan, Dale Bumpers, Robert C. Byrd, John Glenn, Henry M. Jackson.

TIME LIMITATION AGREEMENT—BUDGET ACT WAIVER

The PRESIDING OFFICER. The Senator from West Virginia.

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

I have a Budget Act waiver for H.R. 8388, the Italian relief bill. I ask unanimous consent that there be a time limitation overall on the budget waiver and on the bill itself not to exceed 15 minutes, with the time to be equally divided between Mr. CHURCH and Mr. JAVITS.

The PRESIDING OFFICER. Is there objection?

Mr. DURKIN. Reserving the right to object, Mr. President, what is it?

Mr. ROBERT C. BYRD. Mr. President, it is the Italian relief bill.

Mr. DURKIN. I have no objection.

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

BUDGET ACT WAIVER

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate Resolution 543, the budget waiver.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A Senate resolution (S. Res. 543) waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of H.R. 8388.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

The resolution was considered and agreed to, as follows:

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, provisions of section 402(a) of such Act are waived with respect to the consideration of H.R. 8388, a bill to amend the Foreign Assistance Act of 1961 to authorize appropriations for international disaster assistance for the victims of the recent earthquakes in southern Italy.

Such waiver is necessary to allow the authorization of $50,000,000 in additional budget authority for fiscal year 1981 to provide international disaster assistance to the victims of the recent earthquakes in southern Italy.

Compliance with section 402(a) of the Congressional Budget Act of 1974 was not possible by the May 15, 1980, deadline because the earthquake occurred in November of 1980.

The effect of defeating consideration of this supplemental authorization will be to limit the ability of the President to provide disaster assistance to the survivors of the earthquake which devastated southern Italy.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

DISASTER ASSISTANCE FOR VICTIMS OF RECENT EARTHQUAKES IN SOUTHERN ITALY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed now to the consideration of Calendar No. 1183, H.R. 8388.

The PRESIDING OFFICER. The clerk will state it.

The legislative clerk read as follows:

A bill (H.R. 8388), to amend the Foreign Assistance Act of 1961 to authorize appropriations for international disaster assistance for the victims of the recent earthquakes in southern Italy.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

The Senator from Idaho.

ITALIAN EARTHQUAKE ASSISTANCE

Mr. CHURCH. Mr. President, on November 23, a devastating earthquake struck southern Italy. As we meet today, we do not know the full magnitude of the destruction, but we do know that thousands are dead, tens of thousands homeless and hundreds of thousands of people are affected by the disaster.

One of the oldest and finest American traditions is our willingness to respond to people in need throughout the world. The first foreign aid provided by the United States was relief supplies sent to victims of the Caracas earthquake of 1816. We continue that tradition today with our response to the victims of this latest tragedy which has struck in southern Italy.

Even while the emergency phase of the relief efforts goes on, we know that the people of the region will need our help for months to come. The principal burden will fall on the people of Italy, but our assistance can help ease that burden, as we have eased the pain and suffering of millions of our fellow human beings in other times of need.

Mr. President, the Committee on Foreign Relations met to consider legislation authorizing relief, rehabilitation, and re-

construction for the victims of the Italian earthquake. The committee has reported out a bill identical to the legislation passed by the House authorizing $50 million for disaster assistance.

Although we authorize funds for disaster assistance in the annual foreign aid bill, this additional authorization is necessary because of the magnitude of the disaster in southern Italy; $50 million is the minimum amount which will be required as the appropriate U.S. share of a much larger international effort.

Mr. President, coming during this holiday season when families reunite to renew their love, this tragedy is especially poignant for us because of the close ties between the United States and Italy, and more importantly, because so many Americans have direct ties of family and fellowship with the victims of this disaster.

Mr. President, this bill is not only an expression of support for one of our closest allies, this bill is an expression of love from one people to another.

For what reason, Mr. President, I urge prompt and favorable consideration of this bill.

Mr. DECONCINI. Mr. President, I want to express my deep appreciation to the chairman of the Foreign Relations Committee (Mr. CHURCH), the ranking member on the Democratic side (Mr. PELL) and the ranking member on the Republican side (Mr. JAVITS), and the entire committee, No. 1, for taking the time they took yesterday to meet in full committee when they had pressing business on many other matters, including the Republican Caucus on organization.

They took a great deal of time because they cared enough about the necessity before them of this tragedy in Italy.

I appreciate the cosponsors, particularly Senator DOMENICI who initiated this effort, and Senator KENNEDY, and other Senators who have joined in this effort, indicating to the world, and not only Italy, that the United States can respond from a sense of charity, from a sense of giving and asking nothing in return, in a sense of fairness, in a sense of friendship, and an ally and friend of the United States that has been there all the time.

I thank the chairmen for their consideration of this matter in such an expeditious manner and the minority leader and majority leader for clearing this matter.

Mr. CHURCH. Mr. President, are we on restricted time?

The PRESIDING OFFICER. The Chair understands the——

Mr. CHURCH. The question posed to tht Chair is, Are we on restricted time?

The PRESIDING OFFICER. Yes.

The Senator from Idaho is recognized.

Mr. CHURCH. I thank the Chair.

Mr. President, I yield to the Senator from Vermont for 1 minute.

Mr. LEAHY. Mr. President, as one of the three Members of the Senate of Italian descent and with relatives and family members in Italy, I am delighted to see this, but, primarily as an American who is well aware of the humanitarian nature of our country, I am even happier because it is in the best traditions of our country.

Mr. CHURCH. I yield to the Senator from Rhode Island for 2 minutes.

Mr. PELL. Mr. President, I went to Italy to assess the damage from the earthquake. In fact, I was there on Thanksgiving, which was 4 days after the earthquake hit.

I visited Sant'Angelo dei Lombardi and Balvano. I saw these towns, and others that I flew over in a helicopter, absolutely destroyed. I saw buildings that had been five or six stories high squashed so they were, maybe, 4 or 5 feet high, and I knew there were corpses and hopefully survivors as well inside those buildings.

The people were worried about disease; they had masks on. Red Cross personnel with dogs were going around trying to find the corpses and survivors.

The state of destruction was dreadful and very hard to describe. The townspeople were stunned and walking around in a daze, many of them crying.

It is ironic that I have been involved in so many relief efforts related to disasters in Italy. In 1966, I was active in the effort to raise money to help out after the Arno River flood in Florence. Then, in 1976 I was cochairman of the Italian Emergency Relief Committee, an American nongovernmental organization that raised money for the relief of victims of two earthquakes that struck the northern Italian area of Friuli in May and September of 1976.

This latest earthquake, in my view, is three to five times worse in severity than the earthquakes that struck Friuli. And just as the first earthquake in Friuli was followed by a second one 4 months later, the same thing could happen here. We cannot rule out, therefore, that more aid may eventually be needed than what we are considering here today. Actually, there were two tremors while I was in Sant'Angelo dei Lombardi, which sent people scurrying out of the way of buildings still left standing.

In Naples, people were still in automobiles and makeshift campsites because they were nervous about living in their houses. I saw a 10-story building in Naples squashed flat, to about 8 feet high. These are the kind of conditions there are.

Fifty-three million dollars is what we gave to help Friuli, and the earthquakes there were one-third to one-fifth as severe as the one that took place in southern Italy. I therefore think this request is modest and urge my colleagues to support it.

I hope very much this will be accepted.

The PRESIDING OFFICER. All time of the Senator from Idaho has expired.

The Senator from New York still has 7½ minutes.

Mr. CHURCH. Mr. President, in the absence of the Senator from New York, I wonder if the Senator from New Mexico could take charge of the remaining time?

Mr. DOMENICI. I will not use all of our time.

The PRESIDING OFFICER. Without objection, the Senator from New Mexico controls 7½ minutes.

Mr. DOMENICI. Mr. President, the purpose of this bill is to help insure that American aid for the victims of the southern Italy earthquake will actually be available. I am aware that the new continuing resolution earmarks $50 million for this purpose out of the $73 million available for disaster assistance. It is not my intent that this authorization be used to appropriate funds in addition to the $73 million for disaster assistance under the continuing resolution. This authorization will make clear that Congress, through its authorization process as well as through its appropriations process, is ready to clear all legal obstacles to rapid and effective assistance to the Italian earthquake surivivors.

Mr. President, 9 days ago southern Italy was devastated by an earthquake which has since been called the worst natural disaster to strike Western Europe in half a century. President Carter has offered the administration's complete support for a disaster assistance bill, the House of Representatives yesterday unanimously passed a bill to appropriate $50 million in aid to Italy, and today the Senate will send to the President the final approval of this much-needed relief legislation.

This morning I was joined by Senator DECONCINI, Senator KENNEDY, Senator PELL, and Senator HAYAKAWA in a brief meeting with the Ambassador from Italy, Paolo Pansa Cedronio. The Ambassador not only expressed his gratitude for the United States rapid response to the need for assistance but also assured us that this aid will be expeditiously administered to the victims of the earthquakes in Italy.

Reports of the damage continue to define the extent of this tragedy. The earthquake of November 23 has left more than 3,000 dead, 2,000 missing, 8,000 injured, and more than 200,000 homeless. The death toll continues to mount as more bodies are found in the rubble of Naples, Salerno, Caserta, Benevento, Avellino, and Balvano. Over 100 villages have been completely destroyed by the quake and the area is threatened with continuing tremors and the possibility of severe aftershocks.

The Italy Disaster Assistance Act will appropriate $50 million for the relief of the suffering. The United States has already responded to the need for assistance by disbursing more than $3.5 million in tents, blankets, and communications equipment. Numerous private organizations have also mobilized assistance, sending clothing, food, shelters, and medicine.

At a hearing of the Senate Foreign Relations Committee this morning, Senator DECONCINI and I urged the committee to report this legislation to the floor for immediate action. This request won the unanimous consent of the committee. I am grateful to my colleagues for the quick and determined response to aiding our Italian friends and allies. This legislation was no sooner hurriedly introduced when more than a dozen of

my colleagues requested to be added as cosponsors.

Along with this bill, I hope the President will also relax visa requirements to allow victims to join their families here in the United States. Those victims desiring to join relatives in the United States should not be confronted by additional hardships in their courageous attempts to recover their losses and rebuild their lives.

Mr. President, we will undoubtedly become more familiar with this tragedy as the days and weeks progress. Italy estimates that reconstruction will require 2 to 3 perecnt of Italy's GNP at a cost of some $12 to $15 billion. This aid legislation is the appropriate and humane response to a need for relief. The United States can take pride in the assistance it has readily offered needy nations in the past, and I am pleased that today we have continued that precedent in extending relief to the stricken people of Italy.

Mr. President, I would like to have just a quick dialog with my good friend from Idaho.

It is correct, is it not, that we do not intend that an additional $50 million be appropriated. But, rather, within the continuing resolution on foreign disaster assistance, there is enough money so that if it is earmarked it will take care of the purposes of this legislation which we are asking the Senate to pass, and we will not use another $50 million, but, rather, out of that 73, $50 million will be for this relief?

Mr. CHURCH. That is my understanding.

Mr. DOMENICI. I ask Senator KENNEDY if he has checked that also, and is that satisfactory to him?

Mr. KENNEDY. Entirely satisfactory.

Mr. DOMENICI. I have no additional remarks.

I yield to Senator METZENBAUM.

Mr. METZENBAUM. Mr. President, I think that the passage of this resolution in as prompt a manner as it appears now will occur is an indication that when circumstances demand it, the U.S. Congress can act.

Certainly, the tragedy that has occurred in Italy demands the concern of all people in this country.

I am pleased as one of the cosponsors of this legislation to join with the others who have sponsored it.

Mr. President, I rise to express in the strongest terms my support for this legislation to provide $50 million in emergency assistance to the victims of the devastating earthquakes that have caused such appalling death and destruction in a region of Italy to which millions of Americans trace their family origins. And I want to add that I am gratified by the rapidity with which the Congress has acted to come to the aid of a friend and ally in a time of urgent need.

In addition, Mr. President, I want to say how deeply impressed I have been by the outpouring of sympathy and support that we have seen in this country for the people of Italy. No sooner had news of this terrible disaster come through than telephone calls began to pour into the Italian Embassy, the State Department, and to Members of the Senate and the House. Many of the callers sought word on the fate of loved ones. But all of them had one basic question—and that was, "How can I help."

And help they did. Within hours of the disaster, Italian-American organizations had mobilized to collect contributions and to funnel them immediately to the Italian Red Cross. Their effort was and remains the kind of thing that can be accomplished only by people who truly care. And they proved that in America, many, many people of all ethnic backgrounds care deeply about Italy. All civilized men and women know that nation's incomparable cultural heritage. But here in America, we have also come to know at first hand, the proud, warm, and generous Italian people who created that culture and brought it with them to enrich America.

Mr. President, I am pleased to have joined Senators DECONCINI, DOMENICI, KENNEDY, and others as an original proponent of this emergency measure. And I pledge my continuing support for efforts to actively assist our Italian friends and allies in restoring the damage that has been done to their beautiful country by the capricious hand of nature.

Mr. President, at this time, I ask for a rollcall vote.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BRADLEY. Mr. President, I rise to strongly support this resolution which I am cosponsoring.

The $50 million that this will set aside is very important to try to alleviate the human misery that the natural disaster has caused in Italy.

It is again an indication of the responsiveness of the U.S. Senate and the United States to the plight of one of our most loyal allies and strongest friends in the world: The people of Italy.

I strongly support this measure.

Mr. DOMENICI. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator has 3 minutes remaining.

Mr. DOMENICI. I yield to Senator HAYAKAWA.

Mr. HAYAKAWA. Mr. President, I would like to express my strong support for this measure before us today which provides $50 million in emergency relief aid for the victims of the recent earthquake in southern Italy.

Certainly we can justify giving this emergency disaster aid by saying that it is important for the United States to assist our friends in times of natural disasters—and Italy is one of our strongest friends and allies.

Although it is a valid consideration, it pales in significance when we read newspaper accounts about small towns whose leaders and doctors have perished as well as newborn children, or when we see the toppled buildings and the rubble on television, or when we hear radio reports about the coyotes and other wild animals coming out of the hills to feed on the unburied dead.

This is a desperate situation for the people of Italy. Many Americans, individually and through volunteer organizations, have already begun to respond to the many needs of these people. We too must respond promptly.

Mr. President, yesterday the Foreign Relations Committee met to consider legislation authorizing disaster assistance for Italy. I am most grateful to be a part of this expedient action by my colleagues on the committee and I commend Senator DOMENICI, Senator DECONCINI, and Senator KENNEDY for taking the lead in this humanitarian effort.

Mr. KENNEDY. Mr. President, this is the greatest human tragedy that has affected Western Europe in modern times. It is described in the statistics as 3,000 known dead, 2,000 missing, presumed dead, 1,000 injured, over 300,000 homes destroyed.

Mr. President, we have seen across this country millions of Americans who themselves are contributing to various organizations. This is true in my State, and I commend those individuals. They are reflecting their own individual sense of humanitarianism.

I think the action before the Senate this afternoon is a reflection of the total American people's response to what is an extraordinary tragedy.

I join in commending the Senate on this action. I commend the Foreign Relations Committee on the steps necessary to see this relief achieved. I commend the fact that the United States has already started providing some $3½ million in aid and assistance at this time.

Mr. SARBANES. Mr. President, I rise in very strong support of this legislation authorizing relief and recovery assistance for the victims of the tragic earthquake which struck southern Italy last week.

I join the Senator from New Mexico (Mr. DOMENICI), the Senator from Arizona (Mr. DECONCINI), and the Senator from Massachusetts (Mr. KENNEDY) in their strong expression of concern about this terrible human tragedy and commend Chairman CHURCH of the Foreign Relations Committee for expediting committee approval of this very important legislation.

Mr. President, the earthquake that struck southern Italy over a week ago was a tragedy whose dimensions even now are difficult to grasp. The effects of the quake were felt over an area of 2,500 square miles. More than 3,000 persons are known dead and a quarter of a million have been left homeless; about 2,000 persons are still missing and more than 7,000 are injured. As many as 1,000 towns and villages were hit and as many as 100 totally destroyed. There is as yet no reliable estimate of the full extent of the damage.

The quake tore up roads, rail lines and lines of communication. This, along with the mountainous terrain of the region, has greatly increased the difficulty of rescue operations—of removing the dead, of locating, sheltering and providing water and food for the living, of reuniting families. All of these gargantuan tasks have been further complicated by unexpectedly early and heavy snowfall.

Mr. President, the Foreign Relations

Committee on which I serve, acted expeditiously and unanimously yesterday to authorize $50 million for disaster relief, rehabilitation and reconstruction, and the Senate now has the opportunity to approve this legislation which the House has already approved and then send it to the President for signing.

This quick action will enable our Government to expand significantly the assistance it has been able to offer thus far, since that assistance has necessarily been limited to resources, like tents for shelter and helicopters for reconnaissance and rescue operations, already available at U.S. military installations in the devastated area.

Assistance has been forthcoming from a number of nations around the world. Particularly heartening is the assistance already being offered by voluntary agencies and private groups in our own country. The Catholic Relief Services, Save the Children Federation, Salvation Army, Baptist World Alliance, Seventh Day Adventists World Service, World Relief Commission, Church World Service, Church of Jesus Christ of Latter Day Saints and the American National Red Cross have all offered to provide different kinds of help, including clothes, food, blankets, tents and of course cash. All across our country, Italian-American organizations and other concerned citizen groups have stepped forward to conduct vigorous private assistance efforts. In my own State of Maryland the speed and dedication with which these organizations have proceeded is most impressive. The men and women involved in this assistance effort are to be commended for their selfless work.

It is imperative that we now add our full support to the efforts underway first to bring relief to the homeless and the injured, then to begin the awesome tasks of rehabilitation and reconstruction. Apart from the tragedy of individual loss—suffered so personally by many thousands of Americans with relatives living in the south of Italy—there is the additional, tragic loss of communities shattered and villages and towns destroyed.

There is no question that the efforts to rehabilitate individuals, to restore life to afflicted communities and to rebuild villages and towns, many of them thousands of years old, will be successful. The legendary courage, perseverance and ingenuity of the people of the area of the provinces of Avellino, Bari, Benevento, Caserta, Matera, Naples, Potenza, and Salerno are the fundamental assurance of success. Nonetheless, the task is monumental. Our moral, technical and financial support for the people of Italy will help to ease the burden and the responsibility which they bear. The assistance provided by this legislation represents the best in the American spirit and is a further example of the close relationship between the United States and Italy which has brought such significant benefits to both countries.

Mr. MATSUNAGA. Mr. President, as one who served in Italy during World War II and who under wartime conditions was accorded extreme hospitality by the people of Italy, I rise in strong support of the resolution calling for aid to the Italian people who suffered tragically from the earthquake which struck southern Italy.

Even though we were engaged in a war on opposite sides at the time I was in Italy, I found that the Italians loved Americans and America. In speaking with many of the Italians who had been to America, I learned a little poem in Italian, which best expressed their sentiments about America. It goes like this: "Sembrava unsognio, e una poesia." It literally means that what seemed like a dream turned out to be sheer poetry. As applied to America, they say their visit seemed like a dream, but they discovered America a poem. We can prove by our action today that America is indeed a land of poetry, whose citizens and governmental leaders respond to human tragedies in poetic ways, which reach the human heart.

I commend those who exercised leadership in bringing this resolution to the floor and join them in urging its swift passage.

The PRESIDING OFFICER. All time having been utilized——

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that each side may have 2 additional minutes.

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

Who yields time?

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that my name be added as a cosponsor of S. 3229, the companion Senate bill.

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

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all Senators may be permitted to insert statements in the RECORD.

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

Mr. DOMENICI. I yield myself 1 minute.

Mr. President, I am delighted with the kind of support we have here today. It shows that Americans, regardless of their heritage, whether they are from the Northern, Eastern, Southern, or Western part of the United States, still are imbued with that fantastic American tradition which basically, as I see it, is an instinct that says that America's greatness is built around the fact that she is capable of doing good.

The Italian people are close to America for many reasons, from the very inception of our country all the way through this century, with millions of Italians who came here to make this a growing and prosperous country. I think I speak for all of them in saying, "Thank you" to the U.S. Senate for this effort. I know they will appreciate our coming to their assistance again in their hour of great tragedy.

I thank all Senators who helped us in this effort—in particular, the Foreign Relations Committee, under the leadership of the Senator from Idaho (Mr. CHURCH), for expediting this matter; and I thank Senator KENNEDY for joining us early in getting this matter here as rapidly as possible.

I yield back the remainder of my time.

Mr. CHURCH. I thank the Senator.

Mr. President, I yield to the able and distinguished Senator from New Jersey.

Mr. WILLIAMS. Mr. President, the Italian people, who have so frequently suffered from the ravages of natural disasters, have been struck by yet one more tragedy. While the full extent of this disaster is still unknown, it has been determined that the earthquake which hit southern Italy last week killed at least 3,000 people and rendered another 300,000 homeless. The area of damage exceeds over 10,000 square miles and includes the provinces of Salerno, Naples, Potenza, and Avellino.

Americans throughout our Nation have responded with generosity and compassion to the devastation in southern Italy, and private relief organizations have already assisted thousands of earthquake victims. In addition, over a dozen other nations have joined in the Italian relief effort by donating money, food, clothing, and medical assistance.

Americans have a special bond of kinship and solidarity with Italy. The people and descendants of that country have contributed so very much to the richness of our society. Italy is a close friend and staunch ally with whom we have the strongest ties of mutual interest. Standing by our side, it was the first nation to call for the release of U.S. hostages in Iran. Four years ago when Italy suffered from an earthquake, Congress demonstrated our national concern by responding with $25 million in aid.

Today, hundreds of thousands are homeless and threatened by snow and freezing temperatures which hinder relief efforts. Thus, the need for assistance is, tragically, greater than before, and the time for action is diminishing. We have always been generous when disaster strikes, and I believe we, as a nation, should be at least as responsive to the needs of these disaster victims as our constituents and other nations have been.

Therefore, I urge immediate adoption of this legislation to provide $50 million in relief and rehabilitation and for the earthquake victims. This aid will help the survivors rebuild their communities, their homes and their lives. The serious, immediate needs of the earthquake victims, our tradition of humanitarian generosity and our historical bonds with the people of Italy all compel prompt action on this relief legislation.

Mr. ROBERT C. BYRD. Mr. President, I fully support the measure now before the Senate, which is designed to provide $50 million in this fiscal year for relief, rehabilitation and reconstruction assistance for the victims of the devastating earthquake that struck southern Italy on November 23.

The severity of this natural disaster is obvious from any review of the statistics: Dead—over 3,000; missing—1,900; injured—7,751; and those left homeless—250,000. The quake itself measured 6.8 on the Richter scale.

But as we all know, the statistics tell only part of the story. Additionally, there is the human tragedy and the human suffering. Numbers and statistics are largely meaningless in this regard.

In this moment of national tragedy for the people of Italy, we can show,

however, that we are ready, willing and able to do what we can to be of assistance in their hour of national need.

The measure before us will do just this. It will provide $50 million in urgently needed relief assistance. I hope that it will be approved overwhelmingly and without further delay.

Mr. BAKER. Mr. President, I am pleased with the action of the Senate in today approving the appropriation of $50 million in emergency relief funding for the victims of the earthquake in Italy. This action reflects our commitment, a commitment shared equally and fully on both sides of the aisle, to move quickly and expeditiously on special legislation to address this disaster. The House approved an identical measure on December 1, and today's action by the Senate clears this measure for the President's signature.

The earthquake that struck southern Italy on November 24 has resulted in vast devastation, the scope of which becomes ever more apparent with each new report from the area. Even now, the fullest extent of the destruction and loss of life is unknown; it is known, however, that this tragedy is of devastating proportions—a death toll expected to reach 3,000, and hundreds of thousands rendered homeless. While we cannot know the total extent of the damage, we do know that immediate assistance is required for the injured, the hungry, and the homeless.

Because of our special bond of friendship with the Italian nation, we have expressed to Prime Minister Freloni and the Italian people our profound sorrow at this tragedy. I am pleased that we have acted with due haste to extend to the Italian people financial assistance so desperately needed.

Mr. LEVIN. Mr. President, this is an American gesture of humanity to the people of Italy with whom we are really "family."

We respond to this poignant and immense tragedy.

We vow redoubled efforts to respond to other overwhelming tragedies suffered by our brothers and sisters starving in Africa to our brothers and sisters who rot in prisons because of their efforts in behalf of human rights for their afflicted countries.

Mr. MOYNIHAN. Mr. President, I rise in support of the Italian relief bill (H.R. 8388), which would authorize $50 million of badly needed aid for the people of earthquake-devastated southern Italy.

We may never know the true cost in human lives of this disaster. Official estimates put the number of those listed as dead at just under 3,000; another 1,500 people are missing and presumed dead. Most observers, however, believe that these figures are low. What we do know is that relief is desperately needed by the survivors. We have all read reports and seen pictures of the devastation—leveled buildings, buckled streets, thousands of people injured, and thousands more left homeless. Within the last 2 days there have been 19 more aftershocks in the region.

In the face of such an overwhelming disaster, $50 million is not a great deal of money. And it is a small amount indeed, compared to the debt this Nation owes Italy for the sons and daughters she has sent us. It is, however, a good start. This bill must be passed without delay. I congratulate the members of the Foreign Relations Committee for the expeditious manner in which they handled this matter.

Mr. GLENN. Mr. President, it is with utmost pride in my country that I rise to support this measure for relief to the Italian people who have been struck by the tremendous tragedy accompanying the recent earthquakes in that country.

I commend my colleagues who have taken the lead in bringing this worthwhile measure to the floor and, yes, the American people who stand behind this humanitarian effort to relieve human distress.

The devastation left behind by the Italian quakes is hard to comprehend, even when we see the results on the evening news. With thousands dead, thousands more injured or missing, and as many as a quarter of a million people left homeless, the relief task is massive, indeed. And when basic human needs are met, the task of reconstruction will obviously be huge.

The amount we are voting to approve for this relief and reconstruction effort, in terms of the human misery involved and the size of the job ahead, is small. I am pleased to be a sponsor of the resolution, but believe that at a later date we may well find it appropriate to increase the level of assistance for this monumental relief effort.

Mr. THURMOND. Mr. President, I rise today in support of H.R. 8388, an act to authorize appropriations of $50,000,000 in disaster assistance for the victims of the recent earthquakes in southern Italy.

Mr. President, the recent earthquake disaster in Italy has left thousands upon thousands of families in desperate need of assistance. With damage extending over 10 percent of the country, entire cities, as well as factories, farms, and homes have been reduced to rubble. More than 5,000 people may have lost their lives as a result of this catastrophe.

The United States has always acted with compassion toward those who have suffered natural disasters. The particular catastrophe that has befallen the unfortunate citizens of southern Italy is the worst natural disaster to occur in Western Europe in half a century.

Mr. President, I hope the Senate will act expeditiously on this legislation, thereby providing much needed relief to the victims of these recent earthquakes.

The PRESIDING OFFICER. Is all time yielded back?

Mr. CHURCH. Mr. President, if no other Senators wish to speak, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on the third reading of the bill.

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

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Virginia (Mr. HARRY F. BYRD, JR.), the Senator from Montana (Mr. MELCHER), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Indiana (Mr. BAYH), the Senator from Hawaii (Mr. INOUYE), the Senator from North Carolina (Mr. MORGAN), the Senator from Kentucky (Mr. FORD), and the Senator from Alaska (Mr. GRAVEL) are necessarily absent.

I also announce that the Senator from Massachusetts (Mr. TSONGAS) is absent because of death in family.

I further announce that, if present and voting, the Senator from West Virginia (Mr. RANDOLPH), would vote "yea."

Mr. STEVENS. I announce that the Senator from Maine (Mr. COHEN) and the Senator from New Hampshire (Mr. HUMPHREY) are necessarily absent.

The PRESIDING OFFICER (Mr. BRADLEY). Are there any other Senators in the Chamber wishing to vote who have not done so?

The result was announced—yeas 88, nays 0, as follows:

[Rollcall Vote No. 501 Leg.]

YEAS—88

Armstrong	Hart	Packwood
Baker	Hatch	Pell
Baucus	Hatfield	Percy
Bellmon	Hayakawa	Pressler
Bentsen	Heflin	Proxmire
Biden	Heinz	Pryor
Boren	Helms	Riegle
Boschwitz	Hollings	Roth
Bradley	Huddleston	Sarbanes
Bumpers	Jackson	Sasser
Burdick	Javits	Schmitt
Byrd, Robert C.	Jepsen	Schweiker
Cannon	Johnston	Simpson
Chafee	Kassebaum	Stafford
Chiles	Kennedy	Stennis
Church	Laxalt	Stevens
Cochran	Leahy	Stevenson
Cranston	Levin	Stewart
Culver	Long	Stone
Danforth	Lugar	Talmadge
DeConcini	Magnuson	Thurmond
Dole	Mathias	Tower
Domenici	Matsunaga	Wallop
Durenberger	McClure	Warner
Durkin	McGovern	Weicker
Eagleton	Metzenbaum	Williams
Exon	Mitchell	Young
Garn	Moynihan	Zorinsky
Glenn	Nelson	
Goldwater	Nunn	

NOT VOTING—12

Bayh	Gravel	Randolph
Byrd, Harry F., Jr.	Humphrey	Ribicoff
Cohen	Inouye	Tsongas
Ford	Melcher	
	Morgan	

So the bill (H.R. 8388) was passed.

Mr. PELL. Mr. President, I move to reconsider the vote by which the bill has passed.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

RECONCILIATION UNDER FIRST CONCURRENT RESOLUTION ON THE BUDGET—CONFERENCE REPORT

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate proceed to the consideration of H.R. 7765.

Mr. HOLLINGS. Mr. President, I submit a report of the committee of conference on H.R. 7765 and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. PRYOR). The report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7765) to provide for reconciliation pursuant to section 3 of the First Concurrent Resolution on the Budget for the fiscal year 1981 having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report will be printed in the House proceedings of the RECORD.)

Mr. HOLLINGS. Mr. President, with a touch of irony, John F. Kennedy once observed that failure is an orphan and success has a hundred fathers.

But the historic success represented in this conference agreement on reconciliation is truly the work of many hands. Nine committees of the Senate, 10 committees of the House, and over 100 conferees have made this achievement possible. I know those who have been worrying about the paperwork are going to have to be thrown for a 10-yard loss on this one. They said if we just hold up this conference report that would get the paperwork problem solved. But the fact of the matter is that the 100 conferees and the 9 committees in the Senate working with the 10 in the House have made the untested reconciliation process work. We have set a landmark precedent for future Congresses to follow and build upon.

This bill and associated savings bills will reduce the 1981 deficit by more than $8 billion. This bill alone will cut the deficit by $5.6 billion. Over the coming 5-year period, it will reduce the deficit by more than $50 billion.

These are dramatic savings and efficiencies. In fact, the legislation before the Senate will produce the most substantial savings Congress has ever achieved in a single bill.

But the underlying commitment that is represented here is perhaps even more important than the immediate effect on the deficit.

A few months ago, many predicted that reconciliation would never see the light of day—that Congress lacked the will to control the budget—that major savings could not be made in programs that are justified only by the special interests who reap the benefits.

Mr. President, we find now the skeptics were wrong. With Senate and House passage of a reconciliation bill and with agreement on the dramatic savings represented in the conference report, we have already done much more and gone much further than almost anyone thought we would or could.

With final passage today, we will demonstrate to the doubters that the rhetoric of fiscal discipline has meaning—that we are making the tough and in some cases, unpopular decisions that are required to control the Federal budget.

Every Senator who signed the conference agreement and every Senator who votes to adopt it has earned a share of the credit for this first historic exercise of the reconciliation power.

I knew I had been at this job too long. Here is the face (referring to Secretary of State Muskie who just appeared alongside Mr. HOLLINGS) I always see in front of me as a challenge. Here it is right here.

I would be delighted to let the RECORD show that the distinguished Secretary of State and the father of reconciliation has now appeared to view his baby, and here is his baby and I will hand it to him. [Laughter.]

Mr. President, I ask unanimous consent that we yield to him for a couple of minutes.

Mr. ROBERT C. BYRD. I object.

The PRESIDING OFFICER (Mr. BRADLEY). Objection is heard.

Mr. HOLLINGS. Mr. President, we are delighted to see Secretary Muskie and our chairman Muskie here because he worked so hard and so long in trying to bring this about. When we started, as he well remembers, in the early spring, in May and June, he had voted a reconciliation of some $10 billion. The task was to work with 100 conferees to maintain that. It took very good, hard, diligent work on behalf of the chairman of the several committees.

I see the chairman of the Commerce Committee; the chairman of Finance, Senator LONG, is here; Chairman RIBICOFF of Governmental Affairs; Chairman TALMADGE of the Agriculture Committee, and I go right on down the list. They had to stay at it and meet over many, many hours. And we saved $8 billion.

But for all its dramatic features, this bill is only the beginning. It will be up to the next Congress and the Congress after that one to sustain the drive that begins here today.

For too many years and in too many Congresses, spending programs have grown in size and cost—sometimes out of need but too often out of sheer momentum.

For too many years and in too many Congresses, inefficiencies in the collection of revenues and loopholes in the tax code have contributed to the persistence of Federal deficits.

Today we can turn that trend around. The leaders and members of the tax and spending committees have given us a conference agreement that achieves this historic result. But we must do as well and even better in the years to come if this new momentum is to be sustained. That is a challenge for the leaders and Members of Congresses yet to come.

Mr. President, I ask unanimous consent to have printed in the RECORD a summary of the key features of the conference report.

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

[In billions of dollars, fiscal years]

	1981		1981–85	
	Budget authority	Outlays	Budget authority	Outlays
CHILD NUTRITION				
Major conference decisions in reconciliation:				
Limit the Federal reimbursement for ½ pints of milk under the special milk program to 5 cents, remove the incentive for schools to offer reduced-price lunches at less than 20 cents a lunch, and other permanent savings in child nutrition programs	−0.1	−0.1	−0.6	−0.6
Annualize cost-of-living increases in child nutrition programs, reduce income allowed for entitlement to child nutrition benefits, and other 1-yr savings	−.2	−.2	−.2	−.2
Extended to fiscal year 1984 the authorization for child nutrition programs which expired in fiscal year 1980 and for the WIC and commodity purchase programs, which do not expire until the end of fiscal year 1982				
Total	−.4	−.4	−.8	−.8

	1981		1981–85	
	Budget authority	Outlays	Budget authority	Outlays
ADAP/HIGHWAY SAFETY				
Major conference decisions in reconciliation:				
For ADAP, limit the amount of fiscal year 1981 grants which may be authorized for airport development, planning and noise compatibility	−0.1	−0.02	−0.1	−0.1
For highway safety, establish a ceiling on fiscal year 1981 obligations for highway safety grants and reduce the fiscal year 1981 authorization for NHTSA operations	−.01	−.02	−.01	−.1
Total	−.1	−.04	−.1	−.2

[In billions of dollars, fiscal years]

	1981		1981–85	
	Budget authority	Outlays	Budget authority	Outlays
FEDERAL-AID HIGHWAY SPENDING				
Major conference decisions in reconciliation: Endorse the ceiling on obligations in the Federal-aid highway program for fiscal year 1981 which has already been enacted in separate legislation (Public Law 96–400). The enacted fiscal year 1981 ceiling is not expected to produce outlay savings below current law				
Additional reconciliation savings: The reconciliation instructions contemplated fiscal year 1981 outlay savings through restraint on Federal-aid highway obligations in both fiscal year 1980 and fiscal year 1981. Although not technically a conference decision, Congress did reduce fiscal year 1980 highway obligations in separate legislation (Public Law 96–304). This action is expected to reduce fiscal year 1981 outlays by $657,000,000		−0.7		−1.3
Total		−.7		−1.3
RAIL PROGRAMS				
Major conference decisions in reconciliation: Limit the amount of rail rehabilitation and improvement financing which may be appropriated in fiscal year 1981 to not more than $180,000,000. This limitation has been previously enacted in separate legislation (Public Law 96–448)	−0.1	−0.01		
Endorse the limitation on Amtrak's use of capital grants enacted in separate legislation (Public Law 96–254)		−.2		
Total	−.1	−.2		
SENATE: HEALTH				
Major conference decisions in reconciliation: Advance medicare payments: Provides for a 1-time deferral during the last month of fiscal year 1981 of advance medicare payments to hospitals. Results in a 1-time saving in 1981—offset by an equal increase in 1982		−0.7		
Determination of reasonable charge: Medicare updates its physician fee schedule every July. Under current administrative practices, bills submitted after July are paid at the higher rate even if the service was rendered before July. This provision allows medicare to pay claims based on the date the service is rendered by the physician, not the date the physician submits the claim		−.2	+0.2	−1.2
3d party liability: Provides that medicare would not be payor of 1st resort where care can be paid for by other liability insurance		−.01	+.05	−.4
Long-term care services: Allows medicare to reimburse hospitals at the lower long-term care rate rather than the inpatient rate if the patient is simply in the hospital waiting to move to a nursing home	−0.01	−.04	−.1	−.7
All other savings provisions: A number of reforms in medicare and medicaid reimbursement procedures for hospitals, physicians, laboratories, and home health providers were approved	−.01	−.03	−.1	−.7
New spending provisions: The House included a number of new spending provisions in its bill—the Senate did not. The Conference agreed to new benefits such as expanded home health services, improved dental benefits, outpatient physical therapy, and funding for State medicaid fraud control units	+.02	+.03	+.03	+.6
Total	+.01	−.9	+.1	−2.3
SBA DISASTER LOAN PROGRAM				
Major conference decisions in reconciliation: Endorse the savings in the SBA disaster loan program brought about by the July 2 enactment of Public Law 96–302. Under this legislation, most agricultural disaster lending would be carried out by the Farmers Home Administration	−0.8	−0.6	−5.5	−4.6
REVENUES				
Major conference decisions in reconciliation: Cash management: The agreement requires all corporations to pay at least 60 percent of their expected liability in estimated taxes. This eliminates a provision in current law that allows some corporations to pay little or none of their expected liability in estimated payments		3.1		4.8
REVENUES—Continued				
Telephone excise tax: The phase out of the telephone excise tax will be delayed by 1 yr. Thus, the tax will be 2 percent in 1931, 1 percent in 1982, and will expire in 1983		.4		1.1
Tax-exempt housing bonds: The conferees agreed to limitations similar to those in the House bill after relaxing or eliminating some restrictions. The new set of restrictions will apply to bonds issued after Dec. 31, 1980, although several bond issues after that date will be exempted under special transition rules		.3		21.5
UI for CETA workers: This provision terminates payment of unemployment compensation for former CETA workers out of general revenues. Current employers of CETA workers will be required to pay unemployment taxes for the workers		.05		.8
Taxation of employer payment of employee payroll taxes: Under this provision, the payment by employers of the employees' share of payroll taxes will be treated as taxable wages for social security and unemployment taxes. State and local governments that currently pay their employees' payroll taxes will have a 3-yr exemption from this provision		.04		.8
Taxation of foreign investors: This provision imposes a tax of 28 percent on the capital gains on sale of U.S. property by foreigners. The tax will apply to sales after June 18, 1980. The Senate's withholding provisions were not included		.04		.5
Increased duty on imported alcohol: To offset the gas tax exemption for gasohol made from imported alcohol, a higher duty on imported alcohol for fuel was approved. The increased duty will be 10 cents per gallon in 1981, 20 cents in 1982, and 40 cents in 1983		.01		.04
Royalty owners' credit: Royalty owners will be allowed a credit of up to $1,000 against their 1980 windfall profit tax		−.2		−.2
Total		[1] 3.6		29.3
SOCIAL WELFARE				
Major conference decisions on reconciliation: Tightening eligibility for extended UI benefits—by such means as requiring workers to accept any reasonable job offer—and 2 other UI benefit changes		−0.1	−0.1	−0.7
Elimination of social security disability benefits for prisoners and 2 unemployment (UI) benefit changes (already enacted)	−0.03	−.05	−.2	−.4
Other social security disability and welfare savings (already enacted)	−.1	−.2	−.6	−4.1
All other	−.003	−.02	−.1	−.4
Total	−.2	−.4	−.8	−5.6
CIVILIAN COLA				
Major conference decisions on reconciliation: Eliminate "look-back" and provide for proration in computing initial COLA's for new civil service retirees, reform civil service disability program, and other minor changes (House bill)	−0.02	−0.1	−0.1	−1.5
POSTAL SERVICE				
Major conference decisions in reconciliation: Retain 6-day mail delivery in fiscal year 1981				
Reduce the public service cost appropriation (the general Federal payment to the Postal Service)	−0.25	−0.25	−0.25	−0.25
Reduce 3d-class nonprofit mail subsidies	−.05	−.05	−.05	−.05
Shift fiscal year 1981 "reconciliation adjustment" (payment for prior-year revenue estimating errors) to fiscal year 1982	−.11	−.11		
Total	−.4	−.4	−.3	−.3

[In billions of dollars, fiscal years]

	1981		1981–85	
	Budget authority	Outlays	Budget authority	Outlays
STUDENT ASSISTANCE, FECA, RAILROAD RETIREMENT				
Major conference decisions in reconciliation:				
National direct student loan repayments returned to the Treasury instead of colleges	−0.4	−0.4	−1.8	−1.8
Miscellaneous provisions to reduce the Federal costs of the guaranteed student loan program	−.05	−.04	−.4	−.4
Changes in the Federal Employees Compensation Act to allow only annual cost-of-living adjustments	−.03	−.03	−.5	−.3
Total	−.5	−.45	−2.6	−2.5

	1981		1981–85	
	Budget authority	Outlays	Budget authority	Outlay
VETERANS' ISSUES				
Major conference decisions in reconciliation:				
GI bill cost-of-living increase: Reduces to 10 percent the 15 percent cost-of-living increase approved by the Senate	−0.2	−0.2	−0.6	−0.6
Readjustment benefits: Reduced veterans flight training, correspondence school, and predischarge education program benefits; strengthened the VA's debt collection ability	−.2	−.2	−.8	−.8
Medical care: Authorizes the VA to examine a veteran's ability to pay for care before providing VA health care	−.1	−.1	−.7	−.7
Total	−.5	−.5	−2.1	−2.2

[1] Details may not add to total due to rounding.

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

Mr. HOLLINGS. I am glad to yield to the distinguished Senator from New York.

Mr. MOYNIHAN. Mr. President, the chairman of the Budget Committee has been too unforthcoming about his own role in this matter.

It is indeed an historic event. One hundred members of the conference—too many, but in this first effort there seems no other alternative. In consequence of there being no alternative, there seemed no possible solution.

Senator HOLLINGS brought about that solution. I was one of those 100. I never thought it possible. It was not possible. It simply was done because the Senator from South Carolina felt it had to be done if the integrity of the budget process were to be preserved.

It will now fall to the Senator to hand the direction on to another party, another person. The Senator hands it on intact and, if I may state, because of his service, enhanced. The Nation is in the Senator's debt.

Mr. HOLLINGS. Mr. President, I thank the Senator very, very much. The distinguished Senator has been too generous. I do appreciate it very, very much.

Let me yield to the guiding light here, our ranking member, Senator BELLMON. I made laudatory comments that he deserves when we passed our second concurrent resolution. But the comments made by my distinguished friend from New York are also deserved in the case of Senator BELLMON of Oklahoma. He has stuck with us.

We still have one problem. We are going to iron that one out with the good will of the Senator from North Carolina, who will have a point later on in the debate.

But we were able to work this thing out to satisfy everybody to a point. The fact that I think now it can be passed is truly an accomplishment on behalf of the Senator from Oklahoma.

Mr. BELLMON. Mr. President, I thank my friend from South Carolina. He is being entirely too generous so far as any role the Senator from Oklahoma had in reconciliation.

I believe the major share of the credit should go, as Senator MOYNIHAN has suggested, to the distinguished chairman of the Budget Committee, Senator HOLLINGS.

I wish to add my commendation to what has already been said. This process simply would not have worked had it not been for the leadership of Senator HOLLINGS and the fact that we have reached this historic time in the history of the budget process is due to his leadership.

Also, I would like to say that when this reconciliation process was first suggested a year ago by Senator Muskie, the House refused to take the process seriously. It was largely due to Senator Muskie's insistence that the process survived that period of difficulty and has now come to fruition. So I also commend Senator Muskie, our present Secretary of State, for the contribution he made.

Mr. President, this is truly an historic occasion. Today we complete for the first time an important part of the Budget Act called the reconciliation process. It has taken Congress 10 months to complete this effort. It is a very significant action which holds promise for fiscal discipline in the Congress. No matter how any single Senator may feel about specific provisions of this conference report—and I have some concerns I will discuss later on—we have achieved "Reconciliation." Congress has decided in favor of a significant measure of fiscal discipline.

To help achieve that discipline, the Senate Budget Committee reported a reconciliation instruction last April as part of the first budget resolution for fiscal year 1981. Congress accepted the reconciliation instruction and ordered the standing committees of both Houses to report legislation to achieve savings. Those committees did report such savings and both Houses passed their respective versions of reconciliation last summer. Then a monumental conference began and what we have before us is a conference agreement which will reduce the deficit in fiscal year 1981 $8 billion below what it otherwise would be.

Mr. President, that is a very significant achievement. When this Congress can reduce the deficit by $8 billion, it is something that I hope the entire country will take note of and approve. The conference agreement alone is the product of 4 months' work by over 100 conferees.

There are those who oppose some of the savings measures or revenue raisers included in this conference report. On the other hand, there are those who feel the savings do not go far enough. But few will argue that what Congress has done here is an important beginning. Each year Members complain that about 75 percent of the Federal budget is "uncontrollable" through the annual appropriations process. We point out to one another and to the world that bringing Federal spending under control, not to mention balancing the Federal budget, is made incredibly difficult by this so-called uncontrollable spending.

Mr. President, if we consider defense spending as uncontrollable in today's crisis environment—and I believe we will all recognize that the pressure now is not to cut defense spending but rather to increase defense spending—and if we consider Federal pay to be more or less uncontrollable, it is arguable that as much as 90 percent of this budget is outside of congressional control in a single year.

Mr. President, I have a table that makes that point. I ask unanimous consent that it be printed in the RECORD.

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

Fiscal year 1979 outlays by categories

	Billions	Percent of total budget
Entitlement payments for individuals	$225	46
Other fixed costs (interest, revenue sharing, farm price supports, etc.)	61	12
Outlays from prior year contracts and other obligations	80	16
*Defense outlays not included above (includes defense pay)	76	15
*Federal pay and benefits—civilian agencies	29	6
*Other nondefense spending	23	5
Total outlays	494	100

*These three items equal the 26 percent of the Federal budget usually described as "controllable." It is readily apparent that most of this is actually not controllable in any single fiscal year.

Mr. BELLMON. Mr. President, this table shows that entitlement payments for individuals, which cannot be controlled unless the laws are changed, account for 46 percent of Federal spending; that other fixed costs, such as interest, revenue sharing, farm price supports, and the like account for 12 percent of the total budget; that outlays from prior year contracts and other obligations account for 16 percent of the budget; and that other defense outlays,

account for 15 percent of the budget. That comes to 89 percent, leaving only Federal pay and benefits for civilian employees, which account for 6 percent, and other nondefense spending that accounts for 5 percent that are relatively easy to control in the appropriations process.

So that shows how important reconciliation is if we are serious about cutting into the level of Federal spending.

Reconciliation is the first coherent effort any Congress has made to bring this so-called "uncontrollable" spending under control. To say that this bill is not perfect is to state the obvious. This will probably be the last major piece of legislation I help manage in 12 years as a Senator; and I cannot recall when we passed a measure with which most, not to say all, of us were completely happy. Nonetheless, the fact that this conference report is before us at all is a major achievement, and I believe it bodes well for the future.

Last year the Senate agreed to reconciliation when we passed the second budget resolution for fiscal year 1980. At that time, the House maintained that the savings to be achieved through the Senate's reconciliation instructions could be made through so-called legislative savings initiatives. The House conferees on the second budget resolution for fiscal year 1980 maintained that it would be an insult to the various committees affected by reconciliation to instruct them to achieve these savings, before those committees had an opportunity to act on their own. The House conferees, therefore, would not agree to reconciliation. In fact, some of them attempted to make light of the Senate reconciliation effort.

But, Mr. President, let us look at what happened.

Instead of reconciliation, the second budget resolution for fiscal year 1980 included a "Sense of Congress' resolution to the effect that we expected to achieve savings through legislation, that Congress would not pass an amended fiscal year 1980 budget to accommodate additional spending just because those savings were not achieved, and that Congress would only contemplate revisions to the fiscal year 1980 budget in the event that such revisions were required by "circumstances beyond our control."

If there is ever written a history of the budget process—and of reconciliation as an important tool of budgetary control—that history will note that we did not achieve the savings contemplated in the second budget resolution for fiscal year 1980, that we did revise the fiscal year 1980 budget upward, and that the budget revision for fiscal year 1980 did accommodate increased spending attributable to our failure to enact "legislative savings," a swell as increases required by circumstances "beyond the power of Congress to control."

That same history, however, if it is fair, will include the fact that the revised fiscal year 1980 budget was agreed to in conjunction with the first budget resolution for fiscal year 1981—and that by the time we passed that resolution both Houses had agreed it would take something more than moral suasion to achieve the kind of budgetary discipline most of us agreed was necessary.

And so, Mr. President, after the failures during fiscal year 1980, the House saw the light and joined with the Senate in this reconciliation effort.

That resolution—the revised second concurrent resolution on the budget for fiscal year 1980, and the first concurrent resolution on the budget for fiscal year 1981—included not only reconciliation instructions, it also included enforcement mechanisms that went well beyond anything in the budget act, and beyond anything ever before included in a budget resolution.

The Congress has succeeded with reconciliation. This conference report is proof that this important tool of budgetary control can work. Its importance will grow with passing years both as an implicit and as an explicit tool of budget discipline.

The Senate still needs to work on other enforcement mechanisms. When the second budget resolution for fiscal year 1981 was before the Senate several weeks ago, Senator HOLLINGS. Senator DOMENICI, and I had a lengthy discussion of the difficulty of enforcing the budget resolution—so long as the budget totals are enforceable only at the aggregate totals. In this case, as in the case of legislative savings, moral suasion alone has again proved unequal to the task. Unless we find a way to measure each piece of legislation equitably as it comes along, we will continue to have problems holding any legislation accountable on budgetary grounds. It is simply not reasonable to say that the last piece of legislation that clears the Congress—no matter how important—must bear the entire burden of fiscal responsibility.

What is happening, Mr. President, is that the present process allows bills to move through and we are not able to raise points of order against them because we cannot say with certainty that they break the budget. Then when the last bill comes along we know for certain how much we have spent and then we can raise a point of order against that bill. But it puts the entire burden of fiscal responsibility on one measure and that is not equitable.

As I leave the Senate, I wish to express the fervent hope that Members of the Senate will work together and agree on a budget amendment like the provision Senator DOMENICI and I suggested when the Senate considered the budget resolution, that is, making it possible to raise the point of order against bills which exceed a committee's allocation under the budget—instead of enforcing the point of order only when a bill would cause total spending under the budget to be exceeded.

Before I close, Mr. President, and having said how important I believe this conference report to be both practically and historically, I would like to say a few words about some provisions of this conference agreement which disturb me.

In the health area programs, the House Ways and Means Committee insisted on inclusion of spending initiatives as the price of agreement on savings provisions. While the health program changes in the conference report will produce substantial net savings, I am nonetheless concerned that in the future these spending initiatives may pave the way for other committees to use a reconciliation bill to insist on new spending which might not otherwise pass Congress. Perhaps Congress should insist that only spending reductions, not spending increases, are germane to a reconciliation process. Clearly, that is what the designers of the budget act contemplated.

And in terms of precedents, Mr. President, what the House Education and Labor Committee did on nutrition programs is just as troubling, if not more so, as the Ways and Means strategy on health initiatives. At least the health changes were included in the reconciliation bill, as it passed the House. However strongly I may feel that their inclusion was inappropriate, those health initiatives were clearly in conference on reconciliation. The House Education and Labor Committee, on the other hand, insisted on inclusion in this conference of program extensions which were included in neither the House- nor the Senate-passed versions of reconciliation. I believe provision needs to be made to prevent this practice in future years.

This is the matter that troubles the Senator from North Carolina and which I am sure will be discussed at greater length before a vote on the reconciliation conference report takes place.

If it were not for the tremendous importance of this conference agreement—both in terms of the fiscal year 1981 deficit and in terms of budget control and process—I might have opposed the bill because of the provisions foisted on the Senate by the House Education and Labor Committee. That committee clearly understood well that it was holding hostage one of the most important pieces of legislation ever considered, and they extracted their pound of flesh. I fervently hope Congress will have learned a lesson; and that future Congresses will find a way to minimize the potential for small groups to take advantage of this important tool of budgetary discipline.

Even though I am obviously disappointed at the outcome of the conference on nutrition programs, I would hasten to point out that: First, this section of the bill achieves the savings anticipated in fiscal 1981; second, the new authorizations included in this bill are subject to appropriations control; and third, nothing in this bill precludes further reconciliation instructions in the future—either to make the temporary savings provisions permanent, or even to reduce appropriations already enacted if that seems necessary and possible.

Finally, Mr. President, I want to comment on the twice-a-year cost-of-living adjustment for Federal retirees which was the largest single savings provision included in the Senate-passed bill and which was dropped in conference. I un-

derstand, indeed we all understand, the incredible pressure brought to bear on the House—and on the conferees—in an election year on this politically sensitive issue.

The Senate, however, did not seek to single out Federal retirees. They are the only group that now receives federally funded retirement benefits whose benefits are indexed twice a year.

In other words, Mr. President, all the Senate was trying to do was to treat Federal retirees the same way we treat others who receive Federal benefits.

What the Senate sought to do, Mr. President, was to treat Federal retirees the same way we treat social security recipients, recipients of Federal welfare payments, food stamp recipients, and others. If we are ever really to control the Federal budget, Mr. President, we simply must come to grips with "indexing," and twice-a-year indexing of Federal retirees' pensions seems to this Senator to be the appropriate place to begin the process of "deindexing."

Indexing in Federal programs will automatically add $24.3 billion to the fiscal year 1981 budget without a single congressional action being required.

Let me repeat that: Indexing in Federal programs will add $24.3 billion of spending to the fiscal year 1981 budget without our Congress doing anything.

To offset increases attributable to indexing, we would have to reduce appropriated programs by 6 percent. Indexing in Federal programs must affect the perceptions of the average American taxpayer about our ability and will to control Federal spending and fight inflation. It is an issue that must be addressed; and it is in this context—more than in the narrower context of Federal retirees' benefits—that I am disappointed in the outcome of this conference. I only hope future Congresses will be wiser than I believe this one has been, when they examine this important question.

To close on a brighter note, Mr. President, let me go back to what I said at the beginning. This is an historic occasion. Notwithstanding my own reservations about some specific provisions of this conference agreement, I signed it. I am proud to assist in managing it. I am pleased that Congress has completed action on the first reconciliation bill; and I am convinced that we have learned from this experience lessons which will improve the ability of future Congresses to exercise budgetary discipline and control so-called uncontrollable spending.

Mr. President, I believe this is one of the major steps that have been made in the budget process. It is one I hope will serve as a guide and inspiration to future Congresses. I strongly urge the adoption of the conference report by the membership of the Senate.

Mr. BELLMON. Mr. President, I ask unanimous consent that a table relating to the reconciliation conference report be printed in the RECORD.

It shows that, through reconciliation, we will reduce the fiscal year 1981 deficit by $8.2 billion—and reduce the cumulative Federal deficit through fiscal year 1985 by $50.385 billion.

Some of these savings were achieved in associated savings legislation—passed subsequent to the reconciliation instructions and signed into law earlier this year. Those measures are disclosed in the report on this bill, and the balance of the savings will be achieved when this bill is signed into law.

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

RECONCILIATION CONFERENCE

[In millions of dollars, fiscal years]

	1981		1981–85	
	Budget authority	Outlays	Budget authority	Outlays
Title II—School lunch and child nutrition programs	−375	−375	−788	−794
Title III—Student loan programs	−432	−418	−2,193	−2,167
Title IV—Civil Service, Postal Service, and related Programs:				
Civil Service programs	−18	−52	−132	−1,537
Postal Service programs	−411	−411	−300	−300
Federal Employees Compensation Act	−33	−33	−450	−300
Title V—Highway, rail, and related programs:				
Federal-aid highway program		−657		−1,252
Highway safety grants		−12		−50
NHTSA operations	−5	−3	−5	−5
Rail rehabilitation	−70	−13		
AMTRAK capital grants		−172		
Title VI—Airport and Airway Improvement Act [1]	−100	−20	−100	−100
Title VII—Veterans programs	−487	−493	−2,135	−2,152
Title VIII—Small business programs	−800	−600	−5,500	−4,600
Title IX—Medicare and medicaid related provisions:				
Medicare	4	−889	53	−2,270
Medicaid	8	8		
Title X—Other Social Security Act programs; unemployment compensation:				
Federal day care regulations	−4	−4	−4	−4
Adoption assistance and social security disability amendments	−118	−235	−610	−4,092
Other social security amendments	2	−31	88	−530
Unemployment insurance amendments	−32	−147	−296	−955
Title XI—Spending provision: Payroll taxes paid by employers	44		783	
Total spending savings, net	−2,827	−4,557	−11,589	−21,108
Title X—Revenue provision: Termination of special Federal funding of unemployment benefits paid to CETA workers		50		800
Title XI—Revenue measures:				
Mortgage subsidy bonds		256		21,453
Cash management		3,063		4,791
Foreign investment in U.S. real estate		42		470
Windfall tax royalty credit		−180		−180
Payroll taxes paid by employers		44		783
Telephone excise tax		358		1,121
Alcohol import duty		12		39
Total revenue increases, net		3,645		29,277
Total reduction in the deficit		−8,202		−50,385

[1] Savings shown are from the Airport and Airway System Development Act (S. 1648) as passed by the Senate. The savings from the counterpart bill as reported in the House (H.R. 6721) would be somewhat higher.

Mr. LONG. Mr. President, the Finance Committee portions of the reconciliation bill involve revenue measures as well as provisions relating to spending under entitlement programs. I will discuss each of these separately.

REVENUE MEASURES

The revenue measures in the conference report represent some very significant changes in the tax system. Even though the Finance Committee has strongly supported tax reductions for 1981, not tax increases, it has felt obligated to fulfill its responsibilities under the reconciliation process to raise approximately the amount of revenue required by the budget resolution. The revenue measures in the bill come very close to raising the required amount of revenue. They are carefully structured to do this without damaging the economy, and some of them represent some needed tax reforms.

In fiscal year 1981, the bill will raise $3.6 billion. The longer run revenue impact will be substantially greater.

Let me summarize the revenue changes in the bill:

HOUSING BONDS

The most important revenue measure in the bill consists of limits on the use of tax-exempt bonds to finance housing. Since 1977, use of tax-exempt bonds for this purpose has grown at a very rapid rate. If this is allowed to continue without some legislative restraints housing bonds will crowd out of the tax-exempt market the general obligation bonds which State and local Governments must issue to conduct their regular activities. The revenue loss would be a very serious drain on the Treasury, which would reduce our ability to cut taxes next year.

The conference agreement is a modification of the Mortgage Subsidy Bond Tax Act of 1979, which the House passed last year. Some of the more complex restrictions of the House bill have been eliminated at the insistence of the Senate conferees, and the transitional rules have been liberalized. The most important modification concerns the limitations in the House bill that tax-exempt housing bonds in any State not exceed the greater of $50 million per year or 5 percent of mortgages originating in the

State in the prior 3 years. The conference agreement liberalizes this market-share limitation to the greater of $200 million or 9 percent of mortgage originations.

I would have preferred to have the Senate work its will on housing bonds through the ordinary legislative process. However, the House conferees felt very strongly about this issue, and I doubt we could have reached a conference agreement without significant limitation on housing bonds. Many State and local housing programs have been in limbo because of uncertainty over just what restrictions Congress would place on housing bonds, and many people wanted to see the issue settled in this session of Congress rather than have the uncertainty continue. For these reasons, the Senate conferees agreed to a modified version of the House bill. The modifications are intended to insure that State and local Governments will be able to operate housing programs in the future.

The housing bond limitations in the conference agreement will raise $256 million in fiscal year 1981 and $10.2 billion in 1985.

PAYROLL TAXES

Under present law, an employer payment of an employee's social security or State unemployment compensation tax is excluded from wages for purposes of the employer's and the employee's social security tax, the Federal unemployment compensation tax, and social security benefits. This provision has been in law for many years, but employers have begun to take more and more advantage of it, and it now threatens to become a major drain on the social security trust funds. The bill, therefore, eliminates this exclusion except in the case of domestic workers and agricultural workers. A 3-year transitional rule is provided for public employees in jurisdictions which were using the employer payment system as of October 1, 1980.

This change will raise $44 million in fiscal year 1981 and $328 million in 1985.

GAIN ON FOREIGNERS' REAL ESTATE

Under present law, nonresident aliens and foreign corporations are not generally subject to tax on capital gains they realize on U.S. real estate. To put foreign investors on the same footing as domestic investors, the bill imposes a capital gains tax on gains by foreigners on the sale of U.S. real estate. This will raise $42 million in fiscal year 1981 and $123 million by 1985.

The Senate bill provided a withholding requirement which would have greatly increased compliance with this tax. However, the House conferees strongly opposed imposing withholding in this legislation because they felt that there had not been adequate time to draft appropriate withholding provisions. They were successful in deleting this provision from the conference agreement. I hope the relevant committees will monitor compliance with the tax under the enforcement mechanisms contained in the legislation and will consider withholding in the next Congress.

TELEPHONE EXCISE TAX

Under current law, the telephone excise tax is scheduled to phase down from its existing level of 2 percent to 1 percent in 1981 and zero thereafter. The conference agreement delays this phase down for 1 year so that the tax will be 2 percent in 1981, 1 percent in 1982, and zero thereafter. This will raise $358 million in fiscal year 1981 and $570 million in 1982.

CASH MANAGEMENT

In terms of fiscal year 1981 revenue effect, the principal revenue raiser in the bill is a requirement that large corporations make estimated tax payments of at least 60 percent of the current year's tax liability. Under current law, corporations are exempt from the estimated tax penalty if their estimated tax payments equal 100 percent of their prior year's tax liability. The change made in the bill will reduce the existing inequity under which some corporations can pay less estimated tax than other corporations with the same tax liability. This provision will raise $3.1 billion in fiscal year 1981, but the revenue gain will be much smaller in future years.

ALCOHOL TARIFF

Present law provides an exemption from the 4-cent-per-gallon gasoline tax for gasohol which is at least 10 percent alcohol. This works out to a subsidy of 40 cents per gallon of alcohol, and the subsidy applies even if the alcohol is imported. From the standpoint of national energy policy, it is foolish to provide subsidies which increase our dependence on imported energy. The Senate bill contained a 40-cent tariff on alcohol in order to offset the subsidy provided by the gasoline tax exemption. The House conferees strongly opposed this provision, but the Senate was successful in achieving a tariff of 10 cents per gallon in 1981, 20 cents in 1982, and 40 cents thereafter. The tariff will apply to alcohol imported for fuel use.

The revenue effect of the alcohol tariff will be $12 million in fiscal year 1981.

WINDFALL PROFIT TAX

The conference agreement contains a credit for royalty owners of the first $1,000 of windfall profit tax for which they would otherwise be liable. It applies only to calendar year 1980.

This is a provision which was in the Senate bill and for which the Senators fought very hard. We were even successful in persuading President Carter to endorse it during the Presidential campaign. Many royalty owners have relatively low incomes and the windfall profit tax represents an onerous burden on them. The $1,000 credit will relieve much of this burden. The revenue loss will be $180 million in fiscal year 1981. Next year, I hope the committee will study ways to relieve royalty owners of more of their windfall profit tax burden.

SPENDING PROGRAMS

The reconciliation instruction in the first budget resolution placed a heavy responsibility on the Committee on Finance to achieve savings in the several spending programs which are within its legislative jurisdiction. The committee took this responsibility seriously. It reviewed each of these programs with a view toward identifying changes which could be made to achieve the required savings. As a result of this review, the committee was able to recommend to the Senate legislation which met the committee's reconciliation goals by eliminating inappropriate or low-priority features of these programs.

In the conference with the House, the Senate conferees were able to obtain acceptance of many of the changes which the Finance Committee had recommended.

The conference bill includes provisions expanding benefits under medicare and medicaid as well as provisions designed to achieve savings in those programs. We regret that the House strongly insisted on new benefit improvements instead of concentrating on savings provisions. However, the net effect over time is to achieve significant savings for medicare and medicaid programs. The benefit improvements include expansion of coverage for home health services, benefits for care in outpatient rehabilitation facilities; an increase in payments for outpatient physical therapy; expansion of eligibility for certain dental and optometrists services; payment for treatment of plantar warts and coverage of antigens. Improvements are made in the professional standards review program both administratively and in terms of expanded responsibility and review so as to achieve additional savings. Other provisions are intended to expand the provision of services outside of hospitals and nursing homes. These include comprehensive payment for necessary surgery performed on an ambulatory basis and a major program to demonstrate the feasibility of training welfare recipients as home health aids to provide supportive services to people in their homes who might otherwise be institutionalized. The bill also contains technical, administrative and relatively minor changes intended to enhance the administration and improve the equity of the medicaid and medicare programs.

The conference agreement includes a deferral of child care regulations and a reduction in the retroactivity period for social security benefits. It also strengthens the unemployment compensation program by providing for better monitoring of claims by Federal employees, by encouraging States to provide a 1-week waiting period, and by eliminating Federal participation in extended unemployment benefits to individuals who are unemployed as a result of their own misconduct or because of their failure to accept any reasonable offers of employment.

The Senate amendments accepted by the House will improve the operations and efficiency of the programs and will produce important savings both this year and in future fiscal years. Unfortunately, however, the conference agreement falls considerably short of achieving the level of savings included in the legislation when it passed the Senate. As estimated by CBO at the time of the conference.

the Senate-passed bill would have reduced fiscal year 1981 costs in Finance Committee programs by $3.6 billion while the comparable savings in the conference agreement amounted to $1.5 billion. This results from the fact that the House conferees were unwilling to accept a number of very meritorious Senate provisions which would reduce program costs. Inasmuch as the spending levels in the second budget resolution will require substantial additional savings, I believe the House will find it necessary at a future date to reconsider its position on these proposals.

A more detailed summary of the spending program provisions in the conference agreement follows:

Home health services.—The bill provides medicare coverage for unlimited home health visits; eliminates the 3-day prior hospital stay requirement under part A of medicare; eliminates the $60 deductible for home health benefits under part B; includes the need for occupational therapy as a qualifying criterion for home health benefits; allows proprietary home health agencies in states without licensure laws to participate in medicare; provides authority for the Secretary of Health and Human Services to require bonding or the establishing of escrow accounts to the extent he finds necessary; requires the Secretary to establish regional intermediates for home health agencies; and requires the Secretary to take several actions to achieve the more effective administration of the home health benefit.

Dentists' services.—The bill provides medicare coverage for services furnished by dentists when the services are of the kinds that are covered when furnished by physicians. The bill also covers hospital stays where the severity of the noncovered dental procedure warrants. Routine dental services would continue to be noncovered services.

Plantar warts.—The bill provides Medicare coverage for the treatment of plantar warts.

Comprehensive outpatient rehabilitation facilities.—The bill covers free standing rehabilitation facilities as providers of services under Medicare.

Optometrists' services.—The bill covers services furnished by optometrists related to the condition of aphakia (absence of the natural lens of the eye).

Antigens.—The bill covers antigens prepared by one physician and forwarded to another for administration to the patient.

Erroneous placement of patients.—The bill requires the Secretary to make Medicare payment where a beneficiary who required a higher level of care was erroneously placed in a part of the institution providing a lower level of care.

Rural hospitals.—The bill authorizes the Secretary to apply the Medicare health and safety standards applicable to all hospitals more flexibly with respect to rural hospitals where such action will not jeopardize patient health and safety. The Secretary of HHS is authorized to provide for a limitation on the scope of services to be furnished by a hospital consistent with any relaxation or waiver of applicable standards.

Certification and review by podiatrists.—The bill allows podiatrists, acting within the scope of their practice, to be recognized as physicians for the purpose of physician certification and utilization review.

Plan of treatment for speech pathology.—The bill allows a speech pathologist to establish the plan of treatment for speech pathology services.

Deceased beneficiaries.—The bill authorizes, for physicians' services rendered to a beneficiary before his death, payment on the basis of an unpaid bill, to the person who has agreed to assume legal obligation to pay the physician.

Presumed coverage provisions.—The bill repeals medicare provisions authorizing, by type of diagnosis, presumed periods of coverage for skilled nursing facility and home health services.

Payments to providers of services.—The bill providers for reimbursement under medicare Part B to providers of services on the basis of the reasonable cost minus the coinsurance amounts charged beneficiaries.

Reenrollment and open enrollment in part B.—The bill repeals a provision of existing law that permits beneficiaries to reenroll in medicare Part B only once (thus unlimited reenrollment would be permitted), and also permits continuous open enrollment for individuals who failed to enroll at their first opportunity (rather than open enrollment only during January through March of each year). In addition, the bill provides a one-year period beginning January 1, 1981, during which any State which has not already done so could enter into an agreement or modification of an agreement, with the Secretary under section 1843 of the Social Security Act for the enrollment of, and purchase of medicare Part B protection for eligible individuals who are receiving money payments under public assistance programs or who are eligible for medical assistance under title XIX of the Social Security Act. A state currently without a buy-in agreement could enter into an agreement during 1981 covering both cash recipients and persons eligible only for medical assistance if it wished to do so.

Payments to pathologists and radiologists.—The bill limits the special 100 percent reimbursement for radiology and pathology services to physicians accepting assignment for all services furnished to hospital inpatients.

Shortened part B termination period for certain individuals whose premiums medicaid has ceased to pay.—The bill permits an individual whose State buy-in coverage for part B of medicare has ended to terminate such coverage effective with the month medicare is notified that coverage is no longer wanted, rather than continue, enrollment for as long as 6 months.

Outpatient physical therapy services.—The bill increases the present $100 yearly limitation on outpatient physical therapy services to $500.

Medicare payment liability secondary in certain automobile insurance cases.—The bill provides that (a) medicare would be the secondary payor in any case where care can be paid for under any liability insurance policy or self-insurance plan (including an automobile insurance policy) or under a no-fault insurance plan; and (b) the Secretary is authorized to waive this provision if he determines that the probability of recovery or the amount involved under such a policy or plan does not warrant the pursuing of the claim.

Hospital transfer requirement for skilled nursing facility coverage.—The bill provides that the 14-day period within which a medicare beneficiary must be transferred from a hospital to a skilled nursing facility in order to qualify for post-hospital extended care benefits would be extended to 30 days. The bill also extends the period during which beneficiaries can be readmitted to a skilled nursing facility without again meeting the three day prior hospitalization requirement.

Outpatient surgery.—The bill requires the Secretary to establish (a) a list of procedures which are frequently performed on a hospital inpatient basis but which can be safely performed in an ambulatory surgical center and (b) a list of procedures which are frequently performed on a hospital inpatient basis but can also be safely performed in a physician's office. The purpose of this provision is to provide incentives to perform surgical procedures on a less costly outpatient basis in cases where the need to perform the procedure is routinely used as justification for admission as a hospital inpatient. Accordingly, it is not expected that the lists established by the Secretary would include procedures which are already generally recognized as more appropriately (from the standpoint of efficient utilization of inpatient services) performed on an outpatient basis.

For those procedures which can be performed in a physician's office, an amount calculated to take account of any unusual overhead expense not usually incorporated into the professional fee for equipment, supplies, space, etc. would be established and paid in full. The overhead factor is expected to be calculated on a prospective basis (and periodically updated) utilizing sample survey or similar techniques to establish reasonable estimated overhead allowances for each of the listed procedures which take account of volume (within reasonable limits). The Secretary is expected to recognize only such additional overhead expenses as are not reflected in the customary charges of physicians.

Subject to the conditions discussed below, the physician would be reimbursed 100 percent of the reasonable charge for performing the listed procedures, provided he accepts assignment, in an ambulatory surgical center, the outpatient department of a hospital, or his office.

This reimbursement would be authorized for procedures performed in the physicians' offices only where (1) a Professional Standards Review Organization is willing, able, and has agreed to carry out a review of the physician performance of such procedures and (2) the physician has agreed to make such records available to the PSRO as may be determined to be necessary. Further, physicians would be reimbursed under this section only for those procedures for which they have admitting privileges in a hospital located in the geographic area in which their office is located.

Technical renal disease amendments.—The bill authorizes the Secretary to enter into agreements with approved non-profit organizations to assist home dialysis patients in obtaining and maintaining dialysis equipment; and changes the reporting date for the renal disease program annual report from April 1 to July 1.

Expanded membership of professional standards review organizations.—The bill authorizes each PSRO to offer membership, at its own option, to nonphysician health professionals who hold independent hospital admitting privileges.

Registered nurse and dentist membership on statewide council advisory group.—The bill provides that at least one registered professional nurse and one dentist must be included in the membership of the advisory group to each Statewide PSRO Council.

Nonphysician membership on National Professional Standards Review Council.—The bill expands the membership of the National Council to include a dentist, a registered professional nurse and one other nonphysician health professional representing the recognized ancillary health care disciplines.

Efficiency in delegated review.—The bill authorizes PSRO's to delegate review functions to hospitals only if the hospital demonstrates a capacity to carry out the required reviews effectively, efficiently and in a timely fashion.

Required activities of PSRO's.—The bill provides that, in order to obtain full designation, a conditionally designated PSRO must be satisfactorily conducting reviews of inpatient services provided by hospitals in its areas, except that review of ancillary services is not required. (The bill eliminates the requirement of present law that a PSRO must be reviewing outpatient hospital services and

long-term care services to be fully designated.) The bill also directs the Secretary to establish a program for the evaluation of the cost-effectiveness of PSRO review of particular types of services and authorizes the Secretary to require PSRO's to conduct review of additional types of services only where such review has been found to be cost-effective or yields other significant benefits.

Response of PSRO's to Freedom of Information Act requests.—The bill provides that no PSRO will be required to make available any records pursuant to a request under the Freedom of Information Act (FOIA) until the latter of: (1) one year after the entry of a final court order requiring such disclosure, or (2) the last date of the Congress during which the court order was entered.

Consultation by PSRO's with health care practitioners.—In lieu of the present requirement of formal advisory groups of health care practitioners to individual PSRO's, the House bill authorizes the Secretary to establish more flexible guidelines to assure appropriate operational PSRO consultation with representatives of all health care disciplines.

Review of routine hospital admission services and preoperative stays by PSRO's.—The bill authorizes PSRO's to focus preadmission review on those areas of relatively frequent overutilization—particularly routine hospital admission services and excessive preoperative stays—to assure that program payments are made only when routine tests and long preoperative stays for elective conditions are medically appropriate. The bill also authorizes the Secretary to direct a PSRO to conduct such reviews where the Secretary determines they can be made on a timely, cost-effective basis.

Study of PSRO norms, standards, and criteria.—The bill requires the Secretary to conduct, in consultation with the National Council, a nationwide study of the differences in PSRO norms and to report the findings to Congress within one year of enactment.

Nonprofit hospital philanthropy.—The bill provides that the following items shall not be deducted from the operating costs of nonprofit hospitals in determining reimbursement amounts under medicare, medicaid and the Maternal and Child Health programs: (1) grants, gifts or endowments, and the income therefrom, which have not been designated by the donor for paying any specific operating costs; (2) governmental grants or similar payments, under the terms of which the grant or payment is not available for use as operating funds; and (3) the proceeds from the sale or mortgage of any real estate or other capital asset which the hospital acquired through gift or grant and which, under the terms of the gift or grant, are not available for use as operating funds (except for recovery of the appropriate share of depreciation when gains or losses are realized from the disposal of depreciable assets.)

Study of need for dual participation of skilled nursing facilities.—The bill requires the Security to conduct a study of the reasons for the present scarcity of skilled nursing home beds, including the extent to which existing law and regulations discourage dual participation of skilled nursing facilities in the medicare and medicaid programs, and to report the results of the study to Congress with one year after enactment.

Alternative to decertification of long-term care facilities out of compliance with conditions of participation; look behind authority.—The bill authorizes the Secretary and State medicaid agencies to deny reimbursement for services furnished by a skilled nursing facility or an intermediate care facility for all medicare and medicaid beneficiaries admitted to the facility after the date the Secretary determines that such facility is substantially out of compliance with the conditions of participation. This intermediate sanction would be applicable as an alternative to decertification only in the case of a facility whose deficiences do not immediately jeopardize the health and safety of patients; where patient health and safety is jeopardized, the Secretary and the State agency are required to take action to decertify the facility simultaneously with application of the more limited sanction. (The provision requires the Secretary to provide public notification to potentially affected beneficiaries of the date of the sanction and the fact that no benefits will be payable on behalf of a beneficiary admitted to the facility after that date.) In addition, this provision authorizes the Secretary to "look behind" a State's survey of an SNF or ICF and, where the Secretary finds that a facility does not meet the conditions of participation, to terminate that facility's participation in medicaid. The Secretary's authority to "look behind" a State's survey of a SNF or ICF to situations in which the Secretary has cause to question the adequacy of the State's determination.

Life Safety Code requirements.—The bill repeals the requirement that skilled nursing facilities must be in compliance with the 1973 edition of the Life Safety Code of the National Fire Protection Association and authorizes the Secretary to determine in regulations when facilities are to be required to meet the provisions of revised editions of the Code, taking into account the capabilities of facilities and State survey agencies to accommodate the revisions. Facilities which are in compliance with the Life Safety Code provisions of present law (and for so long as such compliance is maintained) will be considered to be in compliance with the requirements imposed in regulations with respect to the Life Safety Code provisions.

Criminal standards for certain medicare and medicaid related crimes.—The bill provides that the criminal penalties under present law for the solicitation, payment or receipt of remuneration for referring a medicare or medicaid patient or in return for purchasing, leasing or ordering any supply or service covered under medicare or medicaid will be applicable were such conduct is undertaken knowingly or willfully.

Exclusion of health care professionals convicted of medicare or medicaid-related crimes.—The bill broadens the exclusion under present law from participation in medicare, medicaid and Title XX of practitioners convicted of program-related crimes so as to apply this provision to all other categories of health professionals.

Requirements concerning reporting of financial interest.—The bill amends the financial reporting requirements of present law (under which reporting of all interests of 5 percent or more of any obligations secured by the entity if required) to provide that an entity must report only those individual interests in mortgages or other obligations equal to at least $25,000 or 5 percent of the entity's total assets.

Withholding of Federal share of payments to medicaid providers to recover medicaid overpayments.—The bill authorizes the Secretary to withhold the Federal share of medicaid payments from providers and physicians in order to recover medicare overpayments where such overpayments cannot be recovered through the medicare program either because the provider is participating in medicare at a minimal level or the physician no longer accepts assignment for medicare claims.

Hospital providers of long-term care services ("swing-beds").—The bill authorizes the Secretary to enter into an agreement with any participating rural hospital of 50 beds or less, to permit the hospital to use its beds on a "swing-basis" as acute or long-term care beds as needed (reimbursement in such cases would reflect the lower cost of less than acute care). "Swing-bed" demonstrations are authorized for large and urban hospitals.

Where a hospital does not have a "swing-bed" agreement, payment would be made at the same rate otherwise payable to a participating swing-bed hospital for a long-term care patient who cannot be transferred because of the unavailability of a long-term care bed if the hospital's occupancy rate is below 80 percent and the hospital could obtain a certificate of need to provide long-term care services.

The bill provides, where a beneficiary who no longer requires acute hospital services must remain in the hospital because no long-term care bed is available in the community, the hospital will be reimbursed a daily rate equal to the adjusted average medicaid SNF rate in the State for persons needing SNF services, and for purposes of medicaid at the ICF rate for those patients. (It should be noted that where a State has developed a system of adjustments in its long-term care rates—for example, to distinguish between urban and rural settings—such adjusted rates could be used for purposes of reimbursement under this section where appropriate.) The reduced level of reimbursement would not apply where a hospital's annual occupancy rate is equal to or greater than 80 percent. In determining the occupancy rates of public hospitals under common ownership where patients can be transferred among the related institutions, the rates can be combined (with the approval of the Secretary) for purposes of this occupancy test. Two years after enactment, the computation of occupancy rates shall be adjusted, to the extent feasible, to exclude from the computation those long-term care patients who should not be in the hospital.

With respect to coverage of freestanding detoxification facility services, the bill limits coverage to alcohol detoxification; provides for studies and demonstration projects on alcoholism rehabilitation, drug detoxification and incentives for the use of lower-cost free standing detoxification facilities; and clarifies that medicare payment for inpatient detoxification services furnished by participating hospitals, to the extent appropriately required and provided, would continue to be made as under present law, without regard to the availability of free-standing detoxification facilities.

Coordinated audits under the Social Security Act.—The bill provides for coordinated audits under medicare and medicaid, and directs the Secretary to evaluate the feasibility of creating a single coordinated appeal process to adjudicate disputes arising under coordinated audits.

Demonstration projects relating to the training of AFDC recipients as home health aides.—The bill requires the Secretary to enter into agreements with up to 12 States for the purpose of conducting demonstration projects for the training and employment of AFDC recipients as home health aides.

Quality assurance programs for clinical laboratories.—The bill extends to December 31, 1981, the Secretary's authority to conduct a program to determine the proficiency of clinical laboratory personnel who do not meet formal educational requirements.

Reimbursement of clinical laboratories under medicare and medicaid.—The bill limits program recognition of markups of bills from physicians for services performed by independent clinical laboratories; payment to a physician in such cases would be limited to the lesser of the reasonable charge of the laboratory or the amount actually charged the physician, plus a nominal fee for physician handling of the specimen.

Reimbursement of physicians' services in teaching hospitals.—The bill repeals provisions of existing law that were added by

section 227 of Public Law 92-603 under which physicians' services furnished in teaching hospitals are to be treated under Medicare as hospital services reimbursable on a reasonable cost basis, except where a hospital had traditionally billed for physicians' services on a charge basis and where the hospital's patients could be considered "private patients". The bill retains the section 227 provisions of existing law under which a teaching hospital and all its physicians may elect to be paid on the basis of reasonable cost. It was the intent of the conferees to endorse the existing policy contained in Intermediary Letter 372 (without prohibiting reasonable change) with one major exception. Whereas Intermediary Letter establishes a 50 percent collection requirement, the bill provides that a reasonable charge may be paid for physicians' services rendered by a teaching physician where only 25 percent of the hospital's nonmedicare patients paid all or a substantial part of their charges.

Continued use of demonstration project reimbursement systems.—The bill permits medicare to continue to reimburse hospitals located in a state which has been conducting a cost containment demonstration in accordance with the system used in the State's demonstration when the demonstration project ends, provided the State program meets certain tests of effectiveness in controlling costs and the State elects to continue the reimbursement system and until such time as the State's reimbursement system is no longer applicable to all third-party payors or no longer meets the required tests of effectiveness in controlling costs, except that in the case of any State which has had a cost containment demonstration project reimbursement system in continuous operation since July 1, 1977 (as in the case, for example, of the State of Maryland) the Secretary is required to provide for the continuation of medicare reimbursement in accordance with the State's reimbursement system until the Secretary determines that the State's reimbursement system is no longer applicable to all third party payors or no longer meets the required tests of effectiveness in controlling costs; and (2) the Secretary may establish no more than six Statewide medicare hospital reimbursement demonstration projects, including in this limitation any such projects initiated before the enactment of this legislation.

Temporary delay in periodic interim payments (PIP).—The bill amends the PIP procedure for hospitals, under which hospitals may receive periodic interim payments from medicare which are not directly tied to the receipt of bills, to provide for a one-time deferral during the last month of Fiscal Year 1981 of amounts equal to three weeks of medicare payments.

Determination of reasonable charge.—The bill provides for medicare reasonable charges to be determined based on the fee schedules in effect as of the date the medical service was rendered rather than the date the medicare claim is processed.

Reimbursement under medicaid for services furnished by nurse midwives.—The bill requires States to provide coverage under their medicaid programs for services furnished by a nurse midwife which he or she is legally authorized to perform under State law or regulation.

Extension of increased funding for State medicaid fraud control units.—The bill authorizes Federal matching payments to the States for the costs of establishing and operating medicaid fraud control units meeting specified requirements at the rate of 90 percent for the initial 3-year period and 75 percent thereafter, subject to a quarterly limitation of the higher of $125,000 or one-quarter of one percent of total medicaid expenditures in the State in the previous quarter.

Change in calendar quarter for which satisfactory utilization review must be shown to receive waiver or medicaid reduction.—The bill prohibits the Secretary from assessing financial penalties against the States for failure to meet the requirements of medicaid law regarding utilization review of long-term services in institutional settings for periods prior to January, 1978.

Expedited recovery for certain disallowed medicaid claims.—The bill permits recovery by the Secretary of Federal matching payments for disallowed State medicaid expenditures for services furnished on or after October 1, 1980 by offsetting payments to the State which occur subsequent to the final notice of disallowance. However, the State could elect to retain Federal matching payments for all disallowed expenditures until the conclusion of the administrative appeals process. If the final administrative determination upholds the Secretary's disallowance, the conference agreement provides that the State must return the Federal payments to the Secretary, with interest (at a rate based on the average of the bond equivalent of the weekly 90-day Treasury bill auction rates during such period). With respect to notices of disallowance issued during fiscal year 1981, the States would be subject to interest penalties for no more than 12 months, regardless of the amount of time required to conclude the administrative appeals process. With respect to notices of disallowance issued after fiscal year 1981, the maximum period for which a State would be subject to interest penalties would be six months. In limiting the amount of interest recoverable by the Secretary in this manner, the conferees intend that the Secretary expedite the processing of State appeals from notices of disallowance.

Reimbursement rates under medicaid for skilled nursing and intermediate care facilities. The bill deletes the requirement in current law that SNFs and ICFs participating in the medicaid program be reimbursed on a reasonable cost-related basis and substitutes the requirement that States reimburse SNF and ICF services at rates that are reasonable and adequate to meet the costs which must be incurred by efficiently and economically operated facilities in order to provide care in conformity with applicable State and Federal laws, regulations, and quality and safety standards. While the States have discretion to develop the methods and standards on which the rates of reimbursement are based, the Secretary retains final authority to review the rates and to disapprove those rates if they do not meet the requirements of the statute. The conferees intend that the Secretary exercise this review in a timely fashion. If, within 90 days of receiving the rates proposed to be used by a State, the Secretary has not made a final determination that the rates proposed meet all applicable requirements of medicaid law, then the rates would be presumed to meet the medicaid law requirements for the fiscal year for which they were proposed. The conferees would further note their intent that a State not develop rates under this section solely on the basis of budgetary appropriations. In determining whether the rates proposed by a State are reasonable and adequate to meet the costs which must be incurred by efficiently and economically operated facilities, the Secretary is not expected to approve a rate lower than the applicable legal requirements would mandate.

Delay in effective date of new HHS title XX child day care regulations.—The conference agreement provides that the standards for child day care services required under Title XX law, or promulgated by the Department of HHS, would not be applicable to child day care services provided during the period of July 1, 1980 to July 1, 1981, if such services meet applicable standards of State and local law.

The agreement also provides that the Department of Health and Human Services shall assist each State in conducting a systematic assessment of current practices in Title XX funded day care programs and provide a summary report of the assessments to Congress by June 1, 1981.

Limitation on payment of retroactive social security benefits.—The conference agreement limits social security benefits retroactivity to a period of 6 months prior to the month in which application for benefits is made, except for applications filed for disability benefits by disabled workers (and all family benefits thereunder) or benefits for disabled widows and widowers. Benefits applications for disabled workers, their dependents and disabled widow(ers) will continue to be made retroactive for up to 12 months as under present law. The provision is effective on the first day of the first month beginning 60 days after enactment.

Termination of special Federal funding of unemployment benefits paid to CETA workers.—The conference agreement terminates Federal reimbursement to States from the Federal Unemployment Benefit Account (FUBA) for unemployment compensation benefits paid to former CETA workers, effective for service performed in weeks which begin after enactment.

Under current law, the Comprehensive Employment and Training Act (CETA) requires that all persons employed in CETA public service jobs be provided unemployment benefits under the same conditions, and to the same extent, as other employees doing the same type of work. Any unemployment compensation benefits paid to former CETA workers are initially paid out of the State unemployment insurance trust fund. The State is then reimbursed from general revenues contained in the FUBA account for the amount of the unemployment compensation that was based on CETA public service employment. This reimbursement from the FUBA account would be terminated.

Waiting period for unemployment compensation benefits.—The conference agreement eliminates the Federal share (50 percent) of the cost of the first week of extended benefits in any State which does not have a "waiting week" for regular benefits, or which has a "waiting week" for which benefits are paid retroactively. This provision would be effective for extended benefits paid to individuals during eligibility periods beginning on or after enactment. However, in the case of a State in which State legislation is required in order to establish a "waiting week" or to eliminate retroactive payment for a "waiting week", this provision would first become effective for extended benefits payable for the period that begins after the end of the first regularly scheduled session of the State legislature ending more than 30 days after enactment of the bill.

Establishment of separate account in the Federal unemployment insurance trust fund for benefits paid to former Federal employees.—The conference agreement requires the establishment of a special account within the Unemployment Insurance Trust Fund from which States would be reimbursed for the costs of unemployment benefits based on Federal employment. Each agency would be required to reimburse that account from its appropriations for the costs attributable to its employees. The provision would be effective for services performed by individuals after 1980.

Under current law, Federal employees may receive unemployment compensation if they meet the qualifying requirements of the State in which they were last employed. States are reimbursed by the Federal government for the cost of benefit payments to former Federal employees. At present, all such costs are funded through a single appropriation account within the budget of the Department of Labor rather than being

charged to the appropriations of the employing agencies.

Denial of extended benefits to individuals who fail to meet certain requirements related to work.—The conference agreement would:

(a) Deny extended benefits to an individual during a period of unemployment for which, under State law, he or she was disqualified from receiving State benefits because of voluntarily leaving employment, discharge for misconduct, or refusal of suitable employment, even though the disqualification was subsequently lifted prior to reemployment and the person received State benefits. However, if the person could receive extended benefits if the disqualification is lifted because he or she became employed and met the work or earnings requirement specified in State law.

(b)(1) Deny extended benefits to any individual who fails to accept any work that is offered in writing or is listed with the State employment service, or fails to apply for any work to which he or she is referred by the State agency, if the work: is within the person's capabilities; pays wages equal to the highest of the Federal or any State or local minimum wage; pays a gross weekly wage that exceeds the person's average weekly unemployment compensation benefit plus any supplemental unemployment compensation payable to the individual; and is consistent with the State definition of "suitable" work with regard to provisions not specifically addressed in this amendment.

States would have to refer extended benefits claimants to any work meeting these requirements. If the State, based on information provided by the individual, determines that the individual's prospects for obtaining work in his or her customary occupation within a reasonably short period are good, the determination of whether any work is "suitable work" would be made in accordance with State law rather than the above.

(2) Extended benefits would be denied to any individual for so long as he or she fails to engage in a systematic and sustained effort to obtain work and fails to provide tangible evidence to the State agency that he or she has engaged in such an effort.

(3) Any individual who is denied extended benefits because of the requirements in (b)(1) or (b)(2) would continue to be ineligible to receive extended benefits until he or she had been employed for at least four weeks after the denial and earned wages equal to four times his or her average weekly unemployment compensation payment.

Mr. DOLE. Mr. President, before making a statement on the reconciliation measure, I want to clarify two technical points concerning the Mortgage Subsidy Tax Act provisions of the Reconciliation Act.

The first relates to the transitional rules under the conference agreement. The conference agreement provides that the limitation on the use of mortgage subsidy bonds do not apply to bonds issued before January 1, 1981, if the net proceeds are committed to homebuyers within 1 year of the issuance date. The intent of the conferees in providing this rule was to incorporate the resolution previously adopted by the Senate.

Mr. President, a question has arisen as to the treatment of the bonds if commitments for all of the net proceeds are not made within the 1-year period. In other provisions of the transitional rule where commitments are required within a particular period, the committee report indicates that the bonds will retain their tax-exempt character as long as the uncommitted proceeds are used to redeem bonds within 6 months after the commitment period. This is the same rule on redemption of bonds that was contained in the Senate resolution and adopted by the conferees.

I ask the distinguished chairman of the Committee on Finance if it is his understanding that the conferees intended that a similar rule would apply to bonds issued under the transitional rule permitting bonds to be issued before January 1, 1981.

Mr. LONG. Mr. President, the understanding of the Senator from Kansas is correct. It is the same rule on redemption of bonds that was contained in the Senate resolution and adopted by the conferees.

It is certainly the intention of the conferees that, in the case of bonds that are issued before January 1, 1981, and the net proceeds are not committed within the 1-year period, interest on the bond issue will not cease being tax-exempt provided the uncommitted proceeds are used to redeem obligations within the 18 months of the issue date. In addition, a similar 6-month redemption rule would be allowed under the transitional rule contained in section 1104(m) of the conference agreement.

Mr. DOLE. Mr. President, my second clarification involves the arbitrage provisions of the Mortgage Subsidy Tax Act. The bill limits the effective rate of interest on mortgages financed with proceeds of qualified mortgage bonds to a rate that is no greater than 1 percentage point over the yield on the bonds. The bill also provides that certain items are not to be considered as part of the effective interest cost of a mortgage. These include any insurance charge or similar amount to the extent that such amount does not exceed amounts charged in the area in cases where owner-financing is not provided through the use of qualified mortgage bonds.

I ask Senator LONG if it is his understanding that the conferees intended that premiums paid to the FHA, VA, or private mortgage insurer to obtain mortgage insurance or guarantee on an individual's mortgage come within this exclusion and are not taken into account in computing the effective interest cost on the mortgage so long as the amount does not exceed the premium for insurance or a guaranty for a similar mortgage in the area not financed with qualified mortgage bonds.

Mr. LONG. The Senator from Kansas is correct, Mr. President. FHA and VA mortgage insurance premiums and premiums for similar private mortgage insurance are not taken into account under the bill in determining the effective interest rate of mortgages so long as such amounts do not exceed the amounts charged in the area for a similar mortgage that is not financed by mortgage subsidy bonds. However, charges on the mortgagor for mortgage pool insurance which typically is obtained by the issuer to cover risks not covered by other insurance would be taken into account.

Mr. President, a similar colloquy occurred in the House of Representatives between the chairman of the Committee on Ways and Means and the ranking member, Mr. CONABLE. That matter came to the attention of Mr. Donald Lubick, Assistant Secretary for Tax Policy. Mr. Lubick sent me a letter confirming that this is the view of the Treasury. I ask unanimous consent that the letter of Mr. Lubick be printed in the RECORD at this point.

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

DEPARTMENT OF THE TREASURY,
Washington, D.C., December 3, 1980.

Hon. RUSSELL B. LONG,
Chairman, Committee on Finance, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The Conference agreement on the budget reconciliation bill contains provisions relating to single family mortgage revenue bonds. The transitional rules of the agreement provide that the limitations contained in the bill do not apply to issues under which proceeds are committed to providing mortgages within specified periods. It is our understanding that such bond issues will retain their exempt status beyond the limitation periods if the net uncommitted proceeds remaining at the expiration of the limitation periods are used to redeem bonds within a 6-month period after the expiration of the limitations.

The matter is described in detail in a colloquy between Chairman Ullman and Representative Conable held on the House floor today. We have reviewed the text of that colloquy and it conforms with our understanding and interpretation of the legislation. We are fully in support of the understanding in the colloquy.

Sincerely,

DONALD C. LUBICK.

Mr. LONG. I thank the Senator from Kansas.

Mr. DOLE. Mr. President, I thank my distinguished colleague. I think that will clarify a couple of areas of possible misunderstanding.

RECONCILIATION

Mr. President, I want to comment on one provision that is of great interest to the present occupant of the Chair.

There is no doubt about it, the reconciliation process is an extremely important mechanism. However, I think we must be careful, in future efforts to reconcile, that we do not include a lot of increases in spending.

In my view, reconciliation is intended to bring spending reductions back into balance. Frankly, I found, particularly on the House side, some who are more concerned with pushing new spending programs in the reconciliation process than they were about reconciliation. So we ended up with less real savings than we had anticipated. I want to say, so far as this Senator is concerned, the Senate conferees in our part of the conference made every effort to resist some of the new spending programs advocated by many of our colleagues on the House side.

As I said, the reconciliation process is an extremely important mechanism which, if adhered to strictly, can provide the discipline necessary to balance the Federal budget. The Senate Finance Committee adhered to the process and produced a package with $2.4 billion in savings and $4.2 billion in revenues.

SAVINGS

Most of those savings were real. They were achieved by making substantive, long-term changes in current spending

programs. These changes were carefully thought out and spread over the several entitlement programs under our jurisdiction. Further, they were equitable and were designed to correct problems in those programs while not hurting individual recipients or providers. This Senator believes these kinds of changes were exactly what was contemplated by Congress when it passed the Budget Act of 1974.

The House bill, however, followed a very different course. The House included in its version of reconciliation numerous provisions that not only did not cut spending, but provisions that greatly increased spending in out years. I am sure it will shock many of the Members of this body to learn that the House bill on reconciliation contained provisions that would have increased spending by almost $1 billion in 1985. Hopefully, in the future, we will not allow reconciliation bills to be used as a vehicle for new spending provisions. The conference between the Finance Committee and the Ways and Means Committee was disappointing. Some of the House conferees came expecting to spend, not to save money.

This Senator was also disappointed that the House conferees would not accept more of the Senate savings provisions; for example, the elimination or modification of the national trigger affecting payment of extended unemployment compensation benefits. This provision alone would have saved some $1 billion a year in a reasonable, responsible way. We were unable to work out a reasonable compromise on a provision to postpone eligibility for supplemental security income for individuals who knowingly dispose of assets at less than market value, just for the purpose of becoming eligible for such benefits.

The House conferees did not want to discuss the various Senate provisions dealing with reasonable cost and reasonable charges under the medicare provisions or the provision to limit home health agency reimbursement. Instead, we had to spend a great deal of time discussing the health spending provisions and only after very difficult bargaining were we able to curtail new spending in the bill.

There are a number of savings provisions in the Senate bill which should have been enacted. Hopefully, we will be able to pass them next year. In the meantime, this Senator is at least grateful that the Congress has shown discipline and has followed through on the reconciliation process. This is an important precedent and one which we must be willing to heed in the future if we hope to limit the growth of Government spending and balance the budget.

REVENUE MEASURES

In additon to spending reductions, the Finance Committee was asked to report out $4.2 billion in revenue increases to help reconcile the fiscal year 1981 budget. The Finance Committee met that objective, even though many individual members questioned the wisdom of adding to the already staggering tax burden on the American people. The conference report contains about $3.5 billion of those proposed revenue increases.

I might say, even though we had disagreement, I think for the most part we did not have much alternative. So, there was rather general agreement in the Senate Finance Committee.

There is one specific provision that had a lot of support in the Senate, support from our chairman, the distinguished Senator from Oklahoma (Mr. BOREN), the present occupant of the chair (Mr. PRYOR), Senator BENTSEN, Senator WALLOP, and many others on the committee and not on the committee.

That was our successful effort to provide some interim relief for small royalty owners.

One reason I am particularly happy the reconciliation bill is being passed today is that royalty owners will be permitted to claim a refund paid during the calendar year 1980. This relief is only for 1 year.

Despite the general reluctance to increase the level of Federal taxation, a number of the revenue provisions are positive and deserving of Senate support.

ROYALTY OWNER REFUND

One such provision would provide some interim relief from the windfall profit tax for small royalty owners. Under the provision, royalty owners would be permitted to claim a refund equal to the first $1,000 of windfall profit taxes paid during calendar year 1980. This stopgap provision will provide welcome relief to the estimated 2 million royalty owners throughout the United States, many of whom have suffered an unconscionable hardship as a result of the windfall tax. Hopefully, this provision represents just the first step in the effort to fashion some permanent relief for small royalty owners.

This provision represents just the first step. I hope that the Reagan administration will understand that the average royalty owner has income of less than $200. Many rely on this royalty income to remain economically independent. It has resulted in hardship on, particularly, landowners and small royalty owners, and perhaps some relief can be provided early next year of permanent duration.

Testimony before the Finance Committee hearings demonstrated that the vast majority of these royalty owners are little people—farmers, retired persons, and others of modest means. Indeed, 60 percent of the 128,000 royalty owners in Kansas get less than $50 a month from oil royalties. Yet even these small royalty checks are vital to farmers and retired persons struggling to make ends meet. Thus, this Senator strongly believes that the relief contained in this bill is long overdue.

I pause at this point to yield to the distinguished Senator from Oklahoma who was very helpful. We had hearings in his State and the State of Kansas. Senator BENTSEN had hearings in Texas. We learned firsthand of the need for some relief.

I am happy to yield to my colleague.

Mr. BOREN. I thank the Senator from Kansas.

Mr. President, I want to join in the remarks made by my distinguished colleague from Kansas.

I certainly am pleased to see included in this reconciliation conference report some immediate stopgap relief for the small royalty owners.

I want to pay tribute to the leadership given this effort by the Senator from Kansas, by the distinguished chairman of the Finance Committee (Mr. LONG), by the Senator from Texas (Mr. BENTSEN), and others.

As Senator DOLE has said, studies have indicated that the vast majority of these royalty owners are people receiving very small checks. Over 60 percent of them in my State of Oklahoma were receiving $200 a month or less. A large majority of recipients of checks who attended our hearings were social security recipients, according to samples we conducted of almost 8,000 people that attended the Finance Committee hearings in Texas, Oklahoma, and Kansas. They were in need of immediate relief.

I join the Senator from Kansas in hoping this is only the first step, that the next Congress will go further in remedying the injustices by providing a full exemption for royalty owners from the windfall profit tax.

But it is a positive first step. I am glad to see it made. I am glad that many of those in our States, and across the country, who rely upon the small royalty checks as a supplement to their social security income, will be able to recoup what they paid under the tax.

No group of low- or middle-income people in the country, retired persons, has been hit with a tax of this magnitude on their meager earnings that have been set aside for retirement. I think it is a good step.

I also want to concur with the statement of the Senator from Kansas that while we did not go as far as many of us would like to have seen us go in the area of reforming the unemployment insurance program, that substantial progress was made in this report and in this piece of legislation in moving the system in the right direction so that we can discontinue benefits to those who are not truly qualified for them and make the funds secure and more readily available in adequate amounts for those who are genuinely unemployed. There are many in that category across the country.

Also, I join in paying tribute to the work of the distinguished chairman of the Budget Committee, the Senator from South Carolina, and my own senior colleague from Oklahoma (Mr. BELLMON), who will be leaving the Senate this year, for their work on the budget reconciliation process.

Few people have contributed more to the budgetary process in this country and toward sound fiscal policy over the last several years than the senior Senator from Oklahoma (Mr. BELLMON). I want to salute him on behalf of not only many of my colleagues here in the Senate, but on behalf of the people of our State, for the outstanding work and

outstanding service he has rendered to all the people of this country as a major participant in the budget process.

I thank my colleague from Kansas for yielding to me.

Mr. LONG. Mr. President, I am pleased the Senator did bring this matter up about the royalty owners because that is one area where, in my judgment, a grave injustice was done.

These people did not get any windfall. We had already deregulated the small wells on the theory if we did not, we were not going to get much production because they produce so little, it would shut most down.

So they had already been deregulated. Then when the windfall tax came along, it put a big tax on somebody who was not getting a windfall to begin with. They just happened to be on the scene. That was the only sin they committed, if anything.

So we wanted to try to correct that. I wish we could have done more. I wish we could have also prevailed on Senator BELLMON's amendment to exempt those small wells.

I think it would be well for the Senator from Kansas, who will be chairman of the Finance Committee next year, to make clear that he will continue to persevere in this effort. He can be assured of my help to see we exempt these little stripper wells. If not exempt all, then the first five barrels, or as much as we can, to provide justice for these people, because we never really intended to deny those royalty owners and those owners of these very small wells something that was rightfully theirs.

Mr. BELLMON. Will the Senator yield?

Mr. DOLE. Yes.

Mr. BELLMON. Mr. President, I commend the committee for what I consider a step in the right direction.

In my opinion, the stripper well exemption has a great deal of importance so far as the Nation's energy supply is concerned. If you have a little well making a barrel of oil and a hundred barrels of salt water a day and you put a $5 or a $10 tax on the well, you simply hasten the day when it becomes uneconomical for the operator to fuss around and keep it producing; and you hasten the day when he will pull the pipe and sell the tank battery and shut it down.

So I hope that the Finance Committee, during the next Congress, will look at the stripper problem as a matter of equity and try to preserve many thousands of barrels of oil a day which these stripper wells produce. They cannot be redrilled. Unless we keep them in production, they will be lost forever.

I hope the Senator from Louisiana and the Senator from Kansas will give this matter top priority in the first bill the Finance Committee deals with that concerns this subject.

Mr. DOLE. As Senator LONG has indicated, we hoped that we might retain the Bellmon amendment, the two-barrel exemption; but because of the revenue impact, we could not do that.

Also, I think it is fair to say that some of the House conferees think the tax is not high enough now. They would like to raise the tax on royalty owners. They think that anybody who has oil is rich. Until we change that thinking—and we hope it will come soon—it will be hard to provide relief for the small royalty owner or the stripper well operator. We have had some success. They can buy a Christmas tree with this little refund; that is about all.

I yield to the Senator from New Mexico.

Mr. DOMENICI. Mr. President, I commend the Senator from Kansas.

I agree wholeheartedly with the Senator from Oklahoma. So far as the royalty owners are concerned, this is a step in the right direction, it is a 1-year event, as I understand it, and it is a $1,000 exemption. Is that correct?

Mr. DOLE. That is correct.

Mr. DOMENICI. Some of the royalty owners were getting a $400 a month check. They are not in the business. It was their land that somebody drilled on, and they get this because somebody found oil. All of a sudden, this tax comes along, and some of them receive half the check. Is that not correct?

Mr. DOLE. That is right.

Mr. DOMENICI. In fact, some of them received 60-percent deductions from their check.

Mr. DOLE. We have been thinking that if it is so good for the royalty owners, perhaps it should apply to coal and timber and people who have an interest in those things.

Mr. DOMENICI. Exactly. They are not involved in any windfall, if there is one. They had nothing whatsoever to do with that aspect of the situation.

There are literally thousands of these people in this country. Most of them are retirees, and they receive this kind of check along with social security or some other pension fund.

I hope that next year we can make this kind of change permanent.

I also agree with Senator BELLMON that from the standpoint of energy production—the matter we are talking about—it simply is not fairplay. You do not cut somebody's check in half when they have been receiving it for 3 or 4 years as a royalty check. He is talking about energy production.

If we do not do something about the small stripper wells, they will go out of production because of a tax; and that will be a direct diminution in energy resulting from windfall, which many think it is, generally. That will be provable to the extent that a small well stops producing, because the windfall tax makes it unprofitable, and that is doing the opposite of what anyone wants to do around here. We are making ourselves more dependent rather than less dependent.

So I hope that, next year, the Finance Committee will take a good look at this matter. Many of us understand it better since it is in place. We have a lot better evidence, and we will be presenting it.

I join Senator BELLMON in congratulating the Senator from Kansas, the Finance Committee, and Senator LONG, and I hope we can do more in the future.

Mr. DOLE. I learned one thing in the past few months—a lot of people in Kansas understand the windfall tax a lot better than when we passed it. It is one thing to say, "I didn't vote for it," but it is another thing to persuade the people that you did not do much to stop it.

This will be some relief. Perhaps there should be some tax imposed on the big royalty owners. But in the case of a man or woman who gets a check for $50, in some cases it is the difference between dependence and independence. I hope we can provide some permanent modification here.

I thank the Presiding Officer, Senator BOREN, for his untiring efforts on behalf of royalty owners, not only in Oklahoma but throughout the country as well. It was a bipartisan effort.

So far as I know, there was no objection to this provision, to speak of, in the Senate Finance Committee. Even those Senators from nonproducing States understand the inequity of this particular tax.

FOREIGN INVESTMENT IN U.S. REAL ESTATE

A second, important revenue provision—the idea of the Senator from Wyoming (Mr. WALLOP)—which is included in the reconciliation package is the imposition of a capital gains tax on foreign nationals who sell U.S. real property.

As the law now stands, a foreign investor, with even the slightest bit of tax planning, can legally avoid paying any U.S. capital gains taxes on the sale of American real estate. Currently, the Tax Code provides that so long as the land is not held in connection with an active U.S. business, the foreign investors' profit is exempt from tax. In contrast, a U.S. citizen would have to pay up to 28 percent in Federal taxes on such sales.

Because of this tax loophole, foreign investors have a distinct advantage over Americans when they are competing to buy U.S. real estate. They can pay more for U.S. land because they can count on not having to pay any tax when they sell it at a profit. Is there any wonder why so many foreign investors, including wealthy Arabs and West Germans, are bidding up the price of U.S. real estate?

The reconciliation bill would do much to correct this situation. The conference report would impose a minimum 20-percent capital gains tax on foreign investors dealing in U.S. real estate. The Senate conferees receded to the House bill's effective date to avoid any unfair application of this change. Unfortunately, however, even this modest provision was watered down by the House conferees who insisted that we delete any withholding requirement. Many tax experts believe that without withholding it will be difficult to effectively enforce the provision.

ALCOHOL FUEL TARIFF

A third significant revenue measure in H.R. 7765 is the imposition of a tariff on imported alcohol fuel. Under the compromise worked out in conference, a 40-cent-per-gallon tariff will be phased in over 3 years. In calendar year 1981, the tariff will be 10 cents per gallon; in 1982, 20 cents per gallon; and, in 1983 and thereafter, 40 cents per gallon.

In 1978 and again last year, Congress enacted the tax incentives for gasohol in order to develop a domestic alcohol fuel industry in the United States.

As I recall, that amendment was initially offered by the distinguished former Senator from Nebraska, Mr. Curtis. In my view, we never intended these tax incentives to subsidize the use of imported alcohol. We do not need to replace our dependence on OPEC oil with a dependence on foreign alcohol. Indeed, importation of foreign alcohol is worse from a balance of payments standpoint than importing OPEC oil because foreign alcohol is much more expensive than crude oil.

This measure is not one-company legislation as some have irresponsibly charged. This tariff is supported by a number of farm groups including the American Farm Bureau, as well as countless individuals who are now or will shortly produce alcohol in the United States. Many of these companies are relatively small local enterprises that are particularly concerned about the explosion of imports this year. In all of 1979, ethanol imports from Brazil amounted to only about 2 million gallons. I understand that already this year, about 40 million gallons of Brazilian alcohol has been imported into the United States. In my view, Federal tax policy should be neutral toward those imports by denying a Federal tax subsidy for imported alcohol. That is precisely what this tariff in this legislation will accomplish.

MORTGAGE SUBSIDY BONDS

Finally, I should like to make some observations about the restrictions on mortgage subsidy bonds contained in this conference report. There is no doubt that some limits are needed on the use of tax-exempt mortgage bonds. In many areas, these bonds have almost completely supplanted conventional mortgage financing at a high cost to the Federal Treasury.

While most recognize the need for some limits, the Senator from Kansas thinks the House bill was far too restrictive. In conference, the Senate conferees bargained hard to modify many of the unduly restrictive provisions in the House mortgage bond bill.

The most important House concession was increasing the amount of bonds that can be issued during the next 3 years from $50 million per year to $200 million and the market share limitation from 5 percent to 9 percent of the mortgages in each State. The date for ultimately eliminating the bonds was pushed back from the end of 1982 to the end of 1983. I believe a reasonable compromise has been struck.

CONCLUSION

Mr. President, this Senator supports the reconciliation process as an essential weapon in our fight against increased Government spending. The process, however, is not perfect, it needs improvement. We must amend it, for example, to prevent new spending from being added during a process that is designed to cut spending.

Mr. President, I have a number of items I should like to have printed in the RECORD. One is a letter from the American Farm Bureau Federation to the President of the United States. Another is a memo from the President of the United States to the Secretary of the Treasury, William Miller.

I also have a letter I addressed to the Internal Revenue Service on March 29, 1979, pointing out that it was never the intent that we should provide subsidies to foreign countries which might be producing alcohol.

It seems to me that what we were doing, in effect, was trying to nip in the bud a problem that could be fatal to the infant domestic gasohol industry. I think there is widespread support for this amendment. This amendment was supported by me, the Senator from Indiana (Mr. BAYH), the Senator from South Dakota (Mr. MCGOVERN), and almost every farm State Senator and almost every other Senator who is concerned about the gasohol industry in this country. Many of these companies are small and quite vulnerable to the explosion of imports.

I also have a number of telegrams, mailgrams, and letters from small alcohol producing companies.

Mr. President, I ask unanimous consent that all this material be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. BOREN). Without objection, it is so ordered.

(See exhibit 1.)

Mr. DOLE. But this Senator believes that all in all conferees on this bill did the best we could. It was our first effort at reconciliation, and I have already asked consent that all these documents be made a part of the RECORD.

But I close by thanking the floor leader, the distinguished Senator from South Carolina, the chairman of the Budget Committee, and also my distinguished Senator from Oklahoma for his tireless efforts over the years in trying to bring some reality back into spending. Most of the time the Senator from Kansas followed his advice. Sometimes I have strayed away. But the Senator from Oklahoma has performed a valuable service and he will be missed in the Senate.

Mr. President, I thank the Chair.

EXHIBIT 1

AMERICAN FARM BUREAU FEDERATION,
Washington, D.C., September 25, 1980.

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

The American Farm Bureau Federation urges that the Treasury Department take necessary steps to prevent foreign produced alcohol from benefiting by the exemption granted to gasohol from the 4 cents a gallon federal fuel tax. The purpose of this exemption was to provide the encouragement for the development of a domestic gasohol industry. To provide the same exemption to imported alcohol completely destroys the purpose of this exemption and could lead to continued reliance upon foreign energy sources.

We urge the Treasury Department to implement necessary regulations so that the exemption will benefit only domestic produced alcohol.

ROBERT B. DELANO,
President.

THE WHITE HOUSE,
Washington, D.C., October 30, 1980.

Hon. WILLIAM G. MILLER,
Secretary of the Treasury,
Washington, D.C.

TO SECRETARY BILL MILLER: Foreign produced alcohol should not benefit from the exemption granted to gasohol from the four cent a gallon gasoline tax. This exemption should be applied only to domestically produced alcohol fuel, to encourage the growth of our domestic industry.

I would like this corrected immediately by administrative means if possible, by legislation if necessary.

Sincerely,

JIMMY CARTER.

INDIANA FARM BUREAU
COOPERATIVE ASSN., INC.,
Indianapolis, Ind., September 12, 1980.

Attention: International Trade Office.
SECRETARY OF THE TREASURY,
U.S. Department of Treasury,
Washington, D.C.

DEAR MR. SECRETARY: I am writing in response to your solicitation of comments on measures that might be used to restrain U.S. imports of ethyl alcohol for use in gasohol.

I am the Executive Vice President of the Indiana Farm Bureau Cooperative Association, Inc. We supply Indiana farmers with petroleum, plant food, feed, and other farm supplies through 71 local cooperatives. We also market grain and soybeans for these members. We introduced gasohol in the petroleum market in Indiana in November, 1978. Since early 1979, we have shipped most of our unleaded gasoline in combination with ethyl alcohol to be sold as gasohol. We have helped other petroleum distributors to adapt to our system of blending alcohol and gasoline. We have also worked with equipment manufacturers in providing products to test gasohol in their engines.

It seems inconceivable to us that the federal government would encourage domestic production of alcohol through the incentive of exempting gasohol from the four-cent per gallon excise tax and, at the same time, allow alcohol produced in other countries the same incentive. We believe the intent of the alcohol production initiative, along with other efforts to develop synthetic fuels, is based upon a desire for energy independence. In this effort, the government and private enterprise are working together to reduce our dependency upon energy from other countries. The exemption for gasohol from the federal excise tax was intended to "prime the pump" in terms of helping a domestic alternate form of energy be more competitive in the market place. This exemption has already had the beneficial effect of encouraging increased alcohol production in the U.S. Imports of ethanol have risen sharply, and we believe this is in part due to expanded market for alcohol as a result of excise tax exemption.

We propose that the excise tax exemption for gasohol be limited to domestically produced alcohol. This does not represent a trade barrier but is, in effect, a common sense approach of limiting incentives to domestic production. A ruling could be enforced by requiring vendors of gasohol to certify that the alcohol used is from U.S. domestic production. This certification could be passed from the U.S. alcohol producers through the distribution channel and would provide a basis for review and enforcement.

I want to express appreciation to the Treasury Department for moving forward with concern about this issue which is critical to the development of energy independence.

Very truly yours,

PHILIP F. FRENCH,
Executive Vice President.

COMMITTEE ON FINANCE,
Washington, D.C., March 29, 1979.

MR. JEROME KURTZ,
Commissioner of Internal Revenue, Internal Revenue Service, Washington, D.C.

DEAR MR. KURTZ: The Energy Tax Act of 1978 (P.L. 95–618) contains an amendment which I sponsored providing for an exemption from the motor fuels excise taxes for certain alcohol fuels.

The provision exempts Gasohol, which is a blend of motor fuels and alcohol, from the Federal excise taxes if the blend contains at least 10 percent alcohol (including ethanol and methanol) other than alcohol produced from petroleum, natural gas or coal. The exemption applies to sales of fuel after December 31, 1978, and before October 1, 1984.

The legislative history indicates that these provisions were intended to apply to alcohol produced in plants located in the United States. The legislative history provides:

"The Secretary of the Treasury shall expedite, to the maximum extent possible, action on the application of any person with respect to the production of ethanol for use in producing gasoline described in section 4081(c) (or in producing liquid fuel described in section 4041(k)) of the Internal Revenue Code of 1954. Within 6 months after the date of the enactment of this Act, the Secretary shall furnish to the Committee on Finance, United States Senate, and to the Committee on Ways and Means, United States House of Representatives, recommendations for legislation necessary to provide for changes in the provisions of chapter 51 of the Internal Revenue Code of 1954 to provide a simple, expeditious procedure for processing such applications and to simplify the regulation of such persons for purposes of such chapter consistent with adequate safeguards against the use of such applications to avoid or evade compliance with the provisions of such chapter relating to distilled spirits procured, dealt in, or used for other purposes."

It is obvious that, in view of this authority given the Secretary of the Treasury, such applications with respect to the production of ethanol could only refer to domestic production.

The Conference Report stated:

"It is the intent of the conferees that, in determining the need for acreage set-aside programs for particular commodities and the extent of the acreage set-aside programs (under sections 105A and 107A of the Agricultural Act of 1949, as added by sections 402 and 502 of the Food and Agriculture Act of 1977), the Secretary of Agriculture take into account the demand for these commodities by producers of alcohol fuels (including fuels which consist of gasoline-alcohol blends) and other fuels."

Therefore, I urge that decisions made by the Internal Revenue Service reflect the Congressional intent and exclude imported alcohol for use in gasoline.

Sincerely yours,

BOB DOLE,
U.S. Senate.

UNITED STATES SENATE,
Washington, D.C.

Dear Conferee:

The Conference Committee on Budget Reconciliation will soon be considering the Senate's provision to increase the duty on ethyl alcohol imported for use as a fuel. This import duty is important to the rapid commercialization of domestic alcohol fuel production plants, and we urge you to support retention of the duty provision.

The Congress examined the issue of alcohol fuel imports last March during the debate on the Crude Oil Windfall Profit Tax Act. At that time non-beverage ethyl alcohol imports were at their traditional low level of around one million gallons per month. Consequently, when Congress extended through 1992 the alcohol fuel (gasohol) exemption from the 4 cent per gallon Federal motor fuel excise tax, it also allowed imported alcohol fuel to qualify for the extended exemption.

Since then non-beverage alcohol imports have increased dramatically. In the first seven months of this year, imports have climbed to 42.5 million gallons. This equals an annual rate of almost 73 million gallons—a nearly threefold increase over the 28 million gallons imported in 1979. At the current rate, imports could equal 50% of total domestic consumption for the year.

With imports continuing to qualify for gasohol's 4 cent per gallon excise tax exemption—which equals a tax benefit of 40 cents per gallon of alcohol—the Federal tax system is supporting a new American reliance on foreign sources of energy. The only difference is we are substituting our addiction for foreign petroleum for a new addiction for foreign alcohol.

The Senate's provision to increase the import duty by 40 cents per gallon will correct this situation. This new duty will neutralize the current 40 cent per gallon tax incentive to import alcohol for fuel use. The excise tax exemption was enacted to encourage construction of domestic alcohol fuel production plants; it was not enacted to encourage the importation of foreign energy.

This will not be a prohibitive tariff—it will produce revenue. Domestic producers currently sell alcohol fuel for about 20 cents more per gallon than imported alcohol sells for in this country. With enactment of the new import duty, the sales price positions of imported and domestic alcohol fuel would be reversed. There is no reason for assuming that this would cause imports to suddenly drop to zero, as opponents of the tariff increase argue.

With elimination of the 40 cent per gallon tax incentive to import alcohol, domestic alcohol fuel marketeers will have added incentive to produce alcohol fuel domestically. This is the purpose of the excise tax incentive and the entire Federal alcohol fuels development program. This purpose can be assured by Conference Committee adoption of the Senates' alcohol fuel import duty provision. If you have any questions on this issue, please contact Bill Moreau (X4–8734) or Rod DeArment (X4–4416).

Sincerely,

ROBERT DOLE,
BIRCH BAYH,
U.S. Senators.

UNION DEVELOPMENT CO.,
Tulsa, Okla., September 11, 1980.

Attention: International Trade Office.
SECRETARY OF THE TREASURY,
U.S. Department of the Treasury, Washington, D.C.

GENTLEMEN: In response to your request for comments regarding measures which could be taken to restrain U.S. imports of fuel ethanol for use in gasohol, we are happy to respond that we believe it to be in the interest of the gasohol industry to do so. Since the beginning of major imports into the United States, the price of fuel ethanol in the United States has plunged from $1.80 per gallon f.o.b. Decatur, Illinois to $1.50 per gallon f.o.b. producing plants and ports of delivery. This is well under the cost of production of fuel ethanol in the United States since during the same time grain prices have increased by 30 percent to 40 percent.

Our company designed and built the first commercial fuel ethanol plant to come on stream in the United States, Brownwood Distilling, Inc., Waurika, Oklahoma (see enclosure). This plant is closing this week due to the poor economics of present fuel alcohol and grain prices. The second plant to come on stream with commercial production in the United States was the White Plain (Flame) plant in Van Buren, Arkansas. It has also periodically been closed due to adverse economics.

The fuel alcohol industry cannot endure the present economics and needs relief from the material that is being brought in from Brazil and other countries. It would appear that a 40 cent per gallon tariff barrier would be the easiest to administer.

Our company has fuel ethanol projects in various stages of planning and construction throughout the United States and it is our opinion that unless this fledgling industry receives prompt relief from the present cross-price squeeze, its birth will be aborted.

Please let us know if we may supply additional information.

Cordially yours,

DEAN R. MCHARD,
President.

NORTH DAKOTA ALCOHOL COOPERATIVE,
Lansford, N. Dak., September 11, 1980.

MR. J. WILLIAM MILLER,
Secretary of the Treasury, Attention of International Trade Office, U.S. Department of the Treasury, Washington, D.C.

DEAR SIR: The North Dakota Alcohol Cooperative (NDAC) understands that the U.S. Department of the Treasury is requesting comments from parties affected by imports of fuel alcohol. These comments will be used in the formulation of a report to Congress per the requirements of the Windfall Profit Tax Act (P.L. 96-223).

NDAC is a cooperative with 750 farmer members, expected to expand to 1,500 members by the end of this year. We are presently proceeding with plans to construct a 25 million gallon per year ethanol plant using members feed grain as a feedstock. Our choice of alcohol production as a grain processing venture for our members was not made haphazardly but after exploration of other opportunities for returning greater value added at the farm level. The major reason for NDAC's pursuit of alcohol production was the stated Federal position that alcohol fuels were an important part of the national energy strategy and thus would receive strong support in the high risk infancy of this industry.

NDAC believes that, not only do alcohol for gasohol imports subvert the goal of the Federal excise tax waiver, the alcohol imports add substantially to the risk of our planned venture (and, of course, many other similar ethanol ventures). While we believe the market for gasohol is substantial, like any other product a period of introduction is necessary before full sales potential can be achieved. We feel that if the pioneering efforts of United States ethanol producers are to be successful, we must not be forced to compete with cutthroat foreign exporters of alcohol. Offshore alcohol is an undependable supply source that certainly has no place in our country's long range energy strategy. We feel that to share a tax waiver with foreign suppliers is a deterrent to development of a strong domestic gasohol industry.

Thus, we recommend exclusion of imported alcohol fuels from the Federal excise tax exemption for gasohol.

Thank you for your consideration of our opinion. We would be happy to provide further comments if appropriate.

Sincerely,

MICHAEL GATES,
President, and the Board of Directors.

INTERNATIONAL GASOHOL CORP.,
Metairie, La., September 11, 1980.

SECRETARY OF THE TREASURY,
Attention: International Trade Office, U.S. Department of the Treasury, Washington, D.C.

DEAR MR. SECRETARY: A copy of your report to Congress on "Measures That Could Be Used To Restrain U.S. Imports of Ethyl Alcohol for Use in Gasohol" has been for-

warded to us by the Chairman of the U.S. National Alcohol Fuels Commission, Senator Birch Bayh, for our comments.

International Gasohol Corporation is now in the process of finalizing plant design and financing for an ethyl alcohol plant in Reserve, Louisiana, with an initial annual production of 4,000,000 gallons of ethyl alcohol and projected annual increases in production to 20,000,000 gallons within five years.

We strongly recommend denial of tax exemption for gasohol made from imported alcohol and some tariff barriers to importation of alcohol in order to protect the budding national alcohol fuel industry. The continued granting of tax exemption and unrestrained imports could place our country in the same predicament with regard to alcohol fuels that we now find ourselves in regarding imported oil.

Sincerely,

LESTER V. COE,
Chairman.

NATIONAL GASOHOL COMMISSION, INC.,
September 13, 1980.

MR. WILLIAM E. BARREDA,
International Trade Office, U.S. Treasury Department, Washington, D.C.

Subject: Restraint of Imports of Ethyl Alcohol into U.S. for use of Gasohol.

DEAR MR. BARREDA: The development of this new American Industry is being put to a severe test. As the petroleum suppliers of America began to replace their premium no-leads with gasohol, there was at one time a small deficiency in enough ethanol to meet the demand. If at that time there had not been some importation of ethanol, the market development for gasohol could have suffered. This situation is no longer the case. With a general slow down in gas use, and with American economics bad, the consumer is buying the cheapest fuel his car will operate on. Therefore, there is now sufficient U.S. ethyl alcohol available to supply the gasohol demand.

There are other serious problems with the imports. They are:

(1) Lack of a market for small scale 190 proof production.

(2) Fear by bankers and lending agencies to fund new plants because of cheap imports of ethanol.

(3) Lack of understanding how sugar cane juice, which can be used to produce 37 cents per lb. of sugar cane, can be used to produce cheap ethanol for fuel.

(4) How an energy deficient country like Brazil can afford to export liquid fuels.

I will address these problems one at a time.

(1) As the executive director of Agri Stills of America, I personally know that Archer Daniels Midland of Decatur will no longer buy the 90 proof ethanol our plant produces and upgrade it to 200 proof, denature, and sell it. ADM was buying our 190 proof on this scale: $1.80 (their wholesale price) less 25¢ for handling and upgrading. times the proof of alcohol.

Example: $1.80, less handling, —.25, equals $1.55.

$1.55 × 190 proof (95%) = $1.47 Agri Stills received per gallon.

Imported 200 proof ethanol is being delivered into this country, placed in tanks and available to distributors at prices ranging from $1.40 to $1.61. ADM could not take our $1.47 ethanol, dehydrate, denature, ship and sell it at a profit at the ridiculously low prices of imported 200 proof ethanol.

(2) My company builds and sells small scale commercial ethyl alcohol plants. My customers still await financing because the bankers require a sales contract of product before they will finance plants. This market is not available. ADM will not buy their product, and therefore there is no other market for wet ethanol from small plants.

(3) It takes 13 lbs of Brazilian sugar to yield 1 gallon of ethanol. 13 lbs of sugar × 30¢ per lb means the cost of raw feed stock from Brazilian sugar cane juice should be $3.90, which is 3 times what they say the ethanol costs in Brazil. If in America corn costs $3.92, it would mean the raw starch is worth 7¢ a lb. 13 lbs × 7¢ = 91¢ for a gallon of U.S. corn ethanol. Basically there is a $3 difference in raw costs, and yet the final product from Brazil, that has been entering the U.S., from 20¢ to 50¢ below going American prices.

(4) Brazil imports about 80% of its liquid fuel, and yet sells Brazilian produced liquid fuel, ethyl alcohol, for export at prices below raw feedstock cost.

If the U.S. allows imported ethyl alcohol, the National Gasohol Commission believes that this imported alcohol should not receive any exemption from the highway tax. If the imports are allowed, they should come into America with a minimum duty of 40¢ to offset the 40¢ now allowed for exemption of highway taxes.

At no time should there be allowed any more imported ethanol, unless it can be shown as being needed to open new markets for which there is no U.S. production available.

The domestic market is currently confined to use of anhydrous ethyl alcohol for mixing with gasoline so as to improve its octane and replace the premium no-leads. Because of the lack of technology and the high prices of the system, small scale plants, which produce wet alcohols, will have to rely on companies such as ADM, Mid-West Solvents, and the like to buy at a reasonable price their wet ethanol upgrade and market it.

The administrative feasibility of the tax exemption is simple. Treasury keeps a record of all imports and the importer will have a record of all buyers. The need for imports to ease the local shortage of fuel ethanol has disappeared. Every oil company confronted report reduced sales of all fuels, but particularly higher priced fuels such as gasohol and premium fuels. America's capacity to produce ethanol for fuel is expanding rapidly; as seen with Corn Products Corp. and Texaco, who will produce 60 million gallons per year. Mid-West Solvents ready to come on the line at Pekin, Ill. with 12 million gallons per year. VanBuren, Ark. reporting lack of sales of its ethanol. Ashland Oil and Publicker a 25 million gallon plant in Ohio. Staley announcing a plant to produce 400 million gallons per year by 1982. Archer Daniels Midland with inventories on hand, and a new plant capacity ready at Peoria, and building a plant in Iowa. All of this construction points to signs of sufficient supplies now and expanding supplies to meet future demands. The price competition of imports coming in at prices so low has killed financing and product sales for small scale American plants.

The cost of production of U.S. ethanol is in the $1.10 to $1.40 price range for 160 to 190 proof. When upgraded to 200 proof, denatured and delivered it cannot compete with the low prices of imported ethanol. The domestic demand of gasohol will go up as the economy of the country improves. Currently the unemployment, shortage of cash, etc. is causing gas buyers to buy the cheapest gas they can. Even to the place they drive into self-service stations with a car needing unleaded fuel, get out a funnel with a small neck and fill the car with cheap regular gasoline. Illegal, yes. Cheap, yes! But being done, yes!

The sum total of all of this is that at one time imported ethanol was important. It did fill the need in helping develop a market, while U.S. industry and agriculture geared up its production. We now have more production of ethanol than the current market can absorb. So, I ask you to prohibit any further imports unless some unforeseen situation appears that creates a shortage. At the present time this does not appear to be a possibility.

It will be a terrible economic set back for the new American ethanol fuel industry if imports are not prohibited. We in America sell corn to buy oil. Each bushel we sell contains 2½ gallons of fuel worth more than $4, plus high quality protein and oil worth at least $2, and many new jobs for America. Yet, the farmer sells for less than $3.50 per bushel.

Regards,

ALVIN M. MAVIS.

ETHAGAS DEVELOPMENT INC.,
Palm Beach, Fla., September 10, 1980.

Secretary of the Treasury,
ATTN: International Trade Office,
U.S. Department of Treasury,
Washington, D.C.:

DEAR SIR: I do not believe in restraint of trade. As a rugged individualist, I believe in competition and good old American ingenuity to make our country self-sufficient for our energy needs.

However, I believe we must:

(a) Deny the excise tax exemption for any gasohol made with imported alcohol.

(b) Monitor imports of ethyl alcohol.

(c) I further do not believe there should be tariff barriers or quantitative import restraints.

(d) The domestic market should be so structured that federal incentives bear a tax-exemption limited to gasohol made from domestic alcohol.

(e) Currently the need for import ethyl alcohol is necessary. However, we must beware of the price competition which will be induced.

Please convey my deepest personal regards to Senator Charles Percy and I attest this is a true comment.

Sincerely,

BERNARD HARRIS, *President.*

AMERICAN ENERGY INC.,
Forman, N. Dak., December 1, 1980.

Dirksen Senate Office Building,
Washington, D.C.:

Many thanks for your amendment eliminating foreign alcohol incentives. The 874 members of our farm cooperative deeply appreciate it.

Sincerely,

LLOYD PTACEK,
President.

CENTRAL TEXAS GRAIN PRODUCTS COOPERATIVE,
Hutto, Tex., December 1,1980.

Senator ROBERT DOLE,
Dirksen Senate Office Building,
Washington, D.C.

In behalf of the 550 members of our alcohol cooperative we wish to thank you for your efforts in regards to the Senate bill placing a tariff on imported alcohol. Your efforts are deeply appreciated by our membership which is dedicated to producing alcohol fuels for America.

If we can be of any assistance in the future please do not hesitate to let us know.

Sincerely,

KENNETH JOHNSON,
President.

CENTRAL TEXAS GRAIN PRODUCTS COOPERATIVE,
Hutto, Tex., December 1, 1980.

Senator ROBERT DOLE,
Dirksen Senate Office Building,
Washington, D.C.:

In behalf of the Central Texas Grain Products Cooperative I wish to express my appreciation for your efforts in regards to the Senate bill placing a tariff on imported alcohol. Your efforts are deeply appreciated and will benefit our cooperative which is dedicated to producing alcohol fuels for America.

Kindest regards,

TED W. HEJL,
Legal Counsel.

BIOCON (U.S.) INC.,
Lexington, Ky., September 12, 1980.

SECRETARY OF THE TREASURY,
Attention: International Trade Office,
U.S. Department of the Treasury,
Washington, D.C.

GENTLEMEN: We have been requested by Senator Birch Bayh to comment on the Department of the Treasury Notice in the Federal Register, Volume 45, Number 164, Thursday, August 21, 1980, Page 5589.

It seems to us the consideration should first be given to the effect on labor in the U.S., of importation of ethyl alcohol for fuel alcohol or any other purposes.

Importation of foreign ethyl alcohol, at a price well below that of such alcohol produced presently in the U.S. through our alcohol production facilities, can be referred to as "dumping" and, as such, might have a deleterious effect on both the major producers and the small farmer; and the message from the White House is clear to us that both sources should be encouraged. Our producers should be encouraged, in order to reduce the massive outflow of U.S. dollars to support the usurious OPEC nations. With importation of foreign alcohol, U.S. dollars will be directed to still another area.

Since there appears to be a shortage of fuel alcohol in the U.S., or there will be, with increased use due to greater participation by public and major oil companies, our recommendation would be to impose such a tariff barrier for imported alcohol that would result in a cost price landed that would equate with the present price of domestically produced fuel alcohol. There are currently enough negatives in the production of domestic fuel alcohol: these being the tremendously increased price of corn and the gasoline price wars resulting from the surpluses of gasoline available in turn due to reduced usage.

Although admittedly importation would reduce the price of gasoline to the consumer, we believe that this is a temporary occurrence and can only result in deterrence of the primary objective in production of fuel alcohol, that is, getting out from under the heel of the OPEC nations.

We hope that these comments are of use and appreciate being asked for them.

Sincerely,

STANLEY PARKER.

The PRESIDING OFFICER. Who yields time?

Several Senators addressed the Chair.

Mr. HOLLINGS. I yield to the distinguished Senator from New Mexico.

Mr. DOMENICI. I thank the Senator.

I say to my good friend from Nebraska that I have been waiting here for quite a while. But is he on some kind of time constraint?

Mr. EXON. No.

Mr. DOMENICI. I will not take very long.

I thank my friend.

Mr. President, I have a rather lengthy statement regarding this.

Mr. President, the Senate passed the reconciliation bill unanimously in June, and I hope we can agree to this conference report by unanimous vote today. This may be the single most important piece of legislation the Senate has considered in recent memory. It is certainly the most important single bill—from the point of view of budgetary control—in my memory.

I wonder, Mr. President, if it were legal to bet on political questions here in Washington—as it is in London—what kind of odds you could have gotten 1 year ago today on final passage of any form of reconciliation legislation. Last year this time, the conferees on the second concurrent resolution on the budget for fiscal 1980, were in the last throes of the most excruciating budget conference in history—and none of them had ever been easy. The principal issue in dispute between the two Houses, at that time, was reconciliation.

The Senate-passed version of the second budget resolution for fiscal year 1980 included reconciliation. The House-passed version did not. It was the position of the House conferees on the budget—and remember that this was just 1 year ago—that legislative savings could be achieved without reconciliation, and that reconciliation instructions would be an affront to the various committees which would report these savings provisions without any such onerous instructions in a budget resolution.

The conferees finally agreed to drop reconciliation from the 1980 budget resolution. They agreed instead on "Sense of the Congress" language in the resolution. That language made clear the fact that the budget totals in the second resolution for 1980 were only attainable if legislative savings were achieved—and it stated that the conferees would only agree to revise those totals in the event that such revisions were required due to "circumstances beyond the power of Congress to control."

Needless to say, we did not achieve the legislative savings envisioned in the second resolution for fiscal year 1980. Also needless to say, we did revise that resolution—and the revision did include increased spending made necessary by our failure to achieve those legislative savings.

This is not intended as a history lesson. Rather, Mr. President, I mean to point out how unlikely it seemed—just 1 year ago—that Congress would ever make use of the tool of reconciliation.

By the time we revised the fiscal year 1980 budget, it had become clear to both Houses that something more than moral suasion would be required if we were to reduce spending in so-called "uncontrollable" programs.

The revised second budget resolution required the Appropriations Committees to reduce spending already enacted for fiscal year 1980 and earlier years. The first budget resolution for fiscal year 1981 included reconciliation instructions to 10 Senate and 8 House committees, to report legislation to reduce outlays by $6.4 billion, and to increase revenues by $4.2 billion, with a resulting anticipated reduction in the fiscal year 1981 deficit of $10.6 billion.

Even when Congress passed the budget resolution last spring, there was widespread speculation that we would never be able to reach an agreement in conference on reconciliation. That we have reached an agreement is a milestone. It is a significant step in the direction of fiscal responsibility. It is the first coherent effort we have made to bring so-called "uncontrollable" spending under control; and I sincerely hope it sets a useful precedent for the future.

We are likely to see much more of reconciliation, if the new administration and the new Congress are to achieve the goals of increased defense spending, tax reduction, and balanced budgets, to which I sincerely believe most of us are committed.

Having said all that, Mr. President, let me also say that I am not completely happy with the contents of the conference report. The savings it will achieve are some $2 billion less than would have been achieved under the bill that passed the Senate. In health and nutrition programs the House has insisted on new and extended programs, as the price of agreement on savings.

The House Education and Labor Committee, in whose jurisdiction are the nutrition programs in which this conference agreement makes changes, insisted on extensions of several other programs as their price for agreeing to any savings—even temporary savings—in nutrition programs.

Neither the House, nor the Senate, reconciliation bill included these nutrition program extensions; and in my view their inclusion in this conference could well have jeopardized this whole bill. Certainly, including these extensions in the reconciliation bill is totally inconsistent with everything I think the reconciliation process ought to be. Nonetheless, I did sign the conference report. I do support the resolution; and I must say that I believe that concluding action on reconciliation in this Congress is more important than even this nefarious House action.

I would also point out that, even with all the extraneous program extensions in the nutrition portion of the resolution, this conference report will achieve the savings we anticipated in direct spending programs. The extensions are of authorizations, controllable through the appropriations process. The savings are real albeit temporary, for the most part—and are in entitlement legislation.

We may well have to reconcile again in the future, to insure permanent savings in nutrition programs. We may have to fight inappropriately high spending for these extended authorizations. We may even recommend rescissions of funds already appropriated for these or other programs—in order to meet our goal of fiscal restraint—sometime in the near future.

But for the present, it is fact that this conference report will reduce the fiscal year 1981 deficit about $8 billion, below whatever it would otherwise be; and once we adopt this conference agreement, we will have completed action on reconciliation.

Reconciliation may well be the most important tool we have available to us to help us live within spending totals acceptable to Congress and to the American public.

When the Senate considered the second budget resolution for fiscal year 1981, Senator BELLMON and I pointed out that we believe the policies which underlie that budget will cost more than the dollars included in the budget.

We suggested then that reconciliation was the appropriate tool for Congress to

employ, if as a matter of fact we want to live within the spending totals in the budget resolution we adopted.

It was pointed out then just how difficult it has been—how long it has taken—to get agreement on this reconciliation. The obvious inference was: we did not then know if we could conclude action on any reconciliation bill; and we would be well advised to bring this conference to a successful close before undertaking further reconciliation.

Well, we have done it. I am proud of us. This is a significant step toward fiscal responsibility. And I believe we can do it again, as many times as need be—if that is what it takes to respond to the clear desire of the American people, expressed on November 4 to control Federal spending, fight inflation, and balance the budget.

I commend all 101 Senators and Congressmen who have been in conference on this measure since June. This resolution may not be all I wish it were; but it is nonetheless—and on the whole—work well done.

I support the conference agreement; and I urge my colleagues to do likewise.

Mr. President, I wish to say something about Senator BELLMON and Senator HOLLINGS. First, I think it is a fitting tribute that the bill before us today is an omnibus reconciliation act and that it is the last official act with reference to budget matters that Senator BELLMON, who will be leaving the Senate, will handle for the minority and for the Senate.

I think it is fitting that that last event signifies the possibility of a new beginning, because, as a matter of fact, this is the first time in the history of our country that we will send a bill to the President that is called a reconciliation bill, and that means that some laws of this country have been reconciled with a budget. That means they have been changed so that they come more into sync or are more harmonious with a budget than if left unchanged. That is what reconciliation means.

With all the years that our distinguished Republican leader, Senator BELLMON, has spent, patiently working with the institution to bring some real support for this process into fiscal restraint reality, I think it is at least reaching fruition when we have a reconciliation law that will go to the President, I hope, after the Senate votes today. I commend him for that.

Also obviously it is an extremely fitting event for Senator HOLLINGS. He did not have the privilege of being chairman of this committee for very long, but he worked on the committee for years and I think that he must feel very good today knowing that under his leadership this first reconciliation act will become a reality.

I commend him for that.

I hope it is just the beginning of some orderly fiscal restraint in this body and the other body which I believe the American people so much want and have indicated so in the last election.

Having said that, let me say that I think everyone should know that there are some activities reflected in this act that are very strange indeed. Would anyone really have thought that reconciliation, which I think everyone felt meant cutting expenditures that would otherwise occur and/or adding new taxes that would not otherwise have taken place—that is reconciliation—and could anyone believe that reconciliation would actually authorize new expenditures? Everyone should know that this bill does that. This bill does that.

There are some laws that would have expired down the line and somehow or another the House of Representatives insisted that in reconciliation we extend them. So one law that would have expired in 2 years is extended for 4.

I really believe that is an abuse of the Budget Act. I think technically something can be done about it here today. It is really almost an intentional misuse kind of under the gun, when they have you under the gun of this act, but I am not going to raise the point because I want this bill to pass. But I hope no one thinks that this Senator for one has failed to perceive the mischief in the name of budgetary restraint that exists here but more importantly the mischief that can occur in the name of reconciliation and fiscal restraint if we do not call it to everyone's attention and if those who have perpetrated the mischief think it is going to go on, that if we have another reconciliation bill that they are going to go pick their pet laws and extend them in the name of reconciliation, as some sort of a quid pro quo, for fiscal restraint, that just cannot be the case.

I repeat, this does a lot of good. The out-year curtailment, the 1981 curtailment of deficit that otherwise would have occurred is $8 billion; in other words, $8 billion less in deficit will show up because of this bill and it has some pretty good out-year effect, not as much as we would like. For the most part, it is 1 year's savings. So I am for it. But I repeat, we have to do something about this approach of using reconciliation to incur more expenses in the out-years without going through the orderly committee process of reauthorization and passing bills. This was supposed to be a quick way to cut expenditures, not a quick way to expand the potential expenditures of the Federal Government.

So in due course, either by proposing amendments to the law or because everyone will get the message that it is not going to be this easy in the future, this Senator just wants everyone to know I do not want this to be expected as a matter of course as the quid pro quo for getting reconciliation through.

I yield and thank the Chair.

Mr. HOLLINGS. I thank the distinguished Senator particularly for his kind remarks.

I yield to the Senator from Nebraska.

Mr. EXON. I thank my friend from South Carolina.

Mr. President, a few brief words in support of what my colleague Senator DOLE had to say on the floor a few moments ago with regard to the widespread publicity in the farm belt by someone alleging that Senator DOLE had led an effort to benefit one large manufacturer of ethanol alcohol, which is a main ingredient for what we call gasohol in Nebraska.

Mr. President, Senator DOLE was a leader in this effort and I congratulate him for that leadership that he has taken. There were many other Senators who were critically involved in the decision. Senator DOLE is entirely correct in stating that what we have been doing with our program is subsidize alcohol from Brazil and some other places.

It seems to me, Mr. President, that if we are ever going to get our fledgling ethanol production to make gasohol going and help relieve our dependence on foreign oil, then what was obviously intended in the original intent and what the action we are taking now does is to encourage ethanol production and therefore gasohol consumption at home.

Therefore, I think it is totally unfair and I come to the defense of Senator DOLE on the accusations that have been against him.

In closing, Mr. President, I just wish to take a moment to add my congratulations for the job well done once again by the chairman of the Budget Committee, Senator HOLLINGS of South Carolina, and my good friend, the ranking minority member of that committee, HENRY BELLMON of Oklahoma.

I have served on the Budget Committee during my 2 years in the Senate, and I congratulate once again these two excellent men for the outstanding job that they have done.

I am looking forward to serving with Senator HOLLINGS again next year as a minority member of the Budget Committee.

We are going to miss indeed the presence of our good, capable, and dedicated friend from Oklahoma, Senator BELLMON, and certainly I wish him well in his retirement. This probably will be the last chance that I have.

HENRY, you have been an outstanding U.S. Senator. I congratulate you, and we are all going to miss you.

Mr. BELLMON. Mr. President, I thank my good friend from Nebraska. I certainly will miss the association with my friends here, especially the Senator from Nebraska. I would like here to formally invite him to Oklahoma to——

Mr. EXON. Mr. President, I accept the invitation and I will be down that Saturday in November.

Mr. HOLLINGS. Pick me up on the way down.

Mr. DOLE. Mr. President, will the Senator from Nebraska yield to me for just 30 seconds?

Mr. HOLLINGS. I yield to the Senator from Kansas.

Mr. DOLE. I want to thank the Senator from Nebraska for what he said with reference to some dispute stirred up by an irresponsible House Member who is retiring this year. But as I look back over the history of this amendment I think a number of Senators had some input into it and it was approved by the full Finance Committee and U.S. Senate. Certainly the Senator from Nebraska had input into the amendment. I did not mean to claim credit for it. I got credit for it by Congressman VANIK who, I think, has demonstrated greater inter-

est in the well-being of importers than in development of viable gasohol industry in the United States. But in any event it just seems to this Senator that if we have not learned a lesson, we had better start learning a lesson and not be subsidizing what may be made in Brazil.

We lost out on soybeans because of an embargo imposed by President Nixon. I do not say that we should not have some give-and-take and not give a foreign country some particular advantage.

This particular recommendation was approved by a bipartisan commission chaired by the distinguished Senator from Indiana (Mr. BAYH). Frankly, this Senator resents some of the statements made by the retiring Congressman from Ohio. If he remains in Washington, I hope he will be willing to discuss this issue with me face to face.

Mr. HOLLINGS. I yield such time as the Senator from Ohio may wish.

Mr. METZENBAUM. Mr. President, so much has been said on this floor that I think a convincing case has been made for adjournment.

Let me respond for just a moment to my good friend from Kansas, with whom I do not often disagree, but I do want to say that the Congressperson about whom he speaks is my Congressperson. He represents me.

Mr. DOLE. Good.

Mr. METZENBAUM. I think he is a man of integrity, I think he has served his Nation well in over 20 years in Congress. I do not intend to address myself to the issue, but I would not want to let go unanswered any suggestion that would in any way impugn his integrity or his distinguished career in the U.S. Congress.

Mr. DOLE. What about impugning the integrity of this Senator? Is the Senator impugning my integrity?

Mr. METZENBAUM. I certainly would not impugn the Senator's integrity.

Mr. DOLE. The Senator ought to talk to his Congressman.

Mr. METZENBAUM. I do not want to get into a dispute with the Senator. I have no question about the Senator's integrity or that of any other Member of this body, but I did not want to stand by and not rise on the subject matter without at least saying a word in defense of the very distinguished Congressperson who serves my own district, Congressman CHARLES VANIK.

Having said that, let me add a word of commendation to the Senator who chairs our Budget Committee and who has worked arduously and vigorously and zealously in the new responsibilities that suddenly came to his doorstep not too long ago, and with no reservations at all.

I wish to commend him for the quality of his service and his dedication to balancing the budget or making every possible effort to do so.

Having said that, let me also say that the absence of the distinguished Senator from Oklahoma, Senator BELLMON, will indeed be felt by this body. I have no difficulty in saying that, although I oftentimes took issue with him, disagreed with him. I do want to say that there are few Members in this body for whom I have higher respect. I told nim before the election that I was sorry he was not going to run for reelection.

I think he has added much to the budget process, and he will be missed, and I commend him and thank him for his efforts in attempting to balance the budget and keeping this body on a solid basis.

Mr. BELLMON. Mr. President, will the Senator yield? I appreciate the comments he has just made. I would like to say it has been an honor to be associated with Senator METZENBAUM on the Budget Committee. In some matters we have had mutual interests. We have not always disagreed, but it has always been a pleasure to work with him.

Mr. METZENBAUM. We are going to miss Senator BELLMON, and I am happy to see that one of the Members on that side of the aisle who I always thought was a very able and distinguished Member may very well be coming back in a Cabinet post. I doubt that I will always be agreeing with him, but I am happy to see that Senator Hansen will be coming back and, perhaps, the new administration will see fit to bring Senator BELLMON back in some capacity and, if so, I would be privileged to vote for the Senator's confirmation, if it is that kind of a role.

Having said that, let me address myself to the matter that is before us, the question of the reconciliation measure that is before us.

When the budget resolution was passed I voted for it, and I did so because I believe in the process and because I believe that even though you sometimes have reservations about a particular aspect of a piece of legislation, that the general thrust was a good one and, therefore, I had no difficulty in supporting it.

Having said that, let me say that I want to commend those who have spoken so eloquently in the last hour or so about the windfall profit tax exemption and the $1,000 credit. I really do not have much of a problem about that. It is not one of those matters that I think causes me great concern or that I would be prepared to rise to oppose.

But in taking all of that credit, in patting ourselves on the back—I guess that is the only way it can be stated—for having been able to provide $1,000 credit with respect to royalties—an issue about which I am not challenging—it bothers me that we found a way to do that and we did not find a way to do anything about the $100 million we are going to save each year, $600 million over a period of 6 years, for the purpose of limiting the Federal reimbursement for half pints of milk under the special milk program.

We can solve the problem of the royalty owners, and that is fine, no problem. But what about the kids who are not going to be able to get any milk because the reimbursement is limited to a nickel? Some may argue, "Well, Senator, you were a part of that process. Why didn't you make more of an issue of it then?"

Well, as a matter of fact, I did raise such an issue in the Budget Committee. That one-half pint of milk I am now told costs about 8½ cents, and so if there is only reimbursement to the extent of a nickel, and there is no adjustment upwards, does it not really mean that a number of kids in this country are not going to be able to get that one-half pint of milk because the money just is not going to be there?

So I would say, OK, we took care of the royalty owners up to $1,000. But what about taking care of those children who will not have milk by reason of our great ability in bringing about reconciliation?

Mr. President, may we have order in the Senate, please, and break up that meeting there?

The PRESIDING OFFICER (Mr. NUNN). The Senator from Ohio has the floor and is entitled to be heard. Will Senators please take their seats or carry on their conversations in the cloakroom.

Mr. METZENBAUM. I thank the Chair.

Now, we also did something else. We made it possible to effect reconciliation, and I want to make it clear that this was in the Senate bill, and there is some improvement as it went to the House and as it came out of committee. But we removed the incentive to provide school lunches for less than 20 cents a meal. That is no concern of ours if the schools were providing them for 10 cents or for a nickel or 12 cents and the kids did not have any more than that. If they do not have 20 cents now and if the school does not have the money to provide the additional funding then there will not be any school lunch for those kids who do not have the 20 cents.

I say that and some may say, "Well, sometimes you have to make adjustments." So I commend those who have been able to bring about this reconciliation. I respect those who have taken care of the royalty owners, but I also wish we had been equally concerned about those kids who want to get a one-half pint of milk for breakfast or want a school lunch and do not have the 20 cents with which to pay for it.

Now some may say, "Well, these are only special school lunches. These are only lunches for those who are not totally impoverished, but these are lunches for those who have somewhat of a little bit of income in their family."

That may be so, but under the rules of the Department, the little bit of money that they have is not very much money and I am afraid that many more will go hungry. If that were not the case, how else would we be saving that $100 million.

Then the other thing that we did—and this also was a Herculean job—we dropped the money for the children, but when it came to annualizing cost-of-living increases for child nutrition programs, we did that on a once-a-year basis. Now, that is not the world's worst thing to do, except for the fact that we left the Federal employees who are on retirement and the military who are on retirement to twice-a-year adjustments.

Mr. President, I am frank to say that I have difficulty in understanding why we annualize cost-of-living increases for child nutrition programs to once a year and we do it twice a year for Federal employees and the military. If it is right in one instance, it is right in both instances, ether way you go.

But that saved us $200 million a year out of the child nutrition program. And

although it is fair to point out that that is just for a 1-year basis and it is fair to point out that this reconciliation is better than the bill we sent to the conference, it is also a fact that the $200 million savings is still in there on the basis of a once-a-year annualization, once-a-year increases, and that as far as the Federal and military employees who are on retirement, they will still get twice a year.

I commend the leadership who handled this matter. I understand the challenging problems, but I do point out that I think there has been greater emphasis given for some who are better able to speak for themselves in the conference committee than those who were not.

I am afraid that we have left at the doorstep the children who are on the milk program, the children on the school lunch program, and the children who are on the children's nutrition program. They are the forgotten people of this budget reconciliation.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HELMS. I would ask the Chair if the Senator from North Carolina is not correct in his belief that a point of order would lie on the obvious fact that title II, subtitle A, section 203(d), is not germane to this conference report?

The PRESIDING OFFICER. The conferees have added new matter not submitted to the conference. Therefore, a point of order would lie if it were made.

Mr. HELMS. A point of order would lie, if made?

The PRESIDING OFFICER. The Senator from North Carolina is correct.

Mr. HELMS. Mr. President, of course the Chair is absolutely correct in response to my parliamentary inquiry and I thank the Chair.

This subsection, as the Chair has indicated, eliminates the cap on a program which was never dealt with in either the House or the Senate reconciliation bills. The program, of course, that I am referring to is the special supplemental food program, commonly known as WIC. This subsection would also extend the authorization for the WIC program through 1984.

Mr. President, this is a reconciliation conference report. It is not a reauthorizing one and, in the judgment of the Senator from North Carolina, it should stay that way.

As the Chair has indicated—and I thank the Chair for its very clear ruling—new material has clearly been introduced into this conference report. That new material is intended to stop any amendments and any reform of various feeding programs by the Senate that will take office in January and by the administration that will take over in January.

Mr. President, I am not going to press the point of order, but I do want the record to show—as it now will show—that I object to such abuse of a reconciliation conference report.

I want the record also to be clear as to the unwise and very costly precedent that is being set here today. The Senate has been put in the position of agreeing to a conference report which the Chair has just agreed contains legislative material not germane to the budget issues in this report. It contains language reauthorizing until 1984 one particular program, WIC, which was never considered in any fashion whatsoever in either the House or the Senate reconciliation bills.

Mr. President, the inclusion of that authorization extension does two things. First, it effectively kills H.R. 7664, the child nutrition reauthorization bill now in another conference. Those bills include some significant amendments. One is an amendment to the Farm Labor Contractor Registration Act, which was sponsored by the very able Senator from Oklahoma (Mr. BOREN). Another is a block grant amendment sponsored by the distinguished senior Senator from Oklahoma (Mr. BELLMON).

The point is, Mr. President, that both Senators from Oklahoma fought long and hard to see that their amendments would be adopted on the Senate floor some months ago, and they were.

Second, that reauthorization extension is meant—and this is clear to the Senator from North Carolina—to forestall any effort by a new administration and a new Senate to reform child nutrition programs for the next 4 years.

Now I would observe, Mr. President, that this sort of thing cuts two ways. A precedent has been set. Next year things will be a little bit different around here. Next year we will surely have reconciliation again. But next year, a new Senate will be able to utilize the very precedent being set here today in inserting nongermane legislation in a reconciliation bill.

Mr. President, I will not go into the details of how the subconference involving the Agriculture Committee was handled. Suffice it to say, title II, subtitle A, includes amendments which were never agreed to at any conference table. They certainly were never agreed to by even one minority member of the conference committee, House or Senate, budget or authorizing.

They were never agreed to by a majority of the members of the House Education and Labor Committee.

As I say, Mr. President, I am not going to press the point of order, but I did want the record to be clear about what we are doing here today, and what has transpired prior to today. I shall rest my case on that, I believe the record is clear, Mr. President. I yield the floor.

Mr. BELLMON. First, Mr. President, I commend the Senator from North Carolina for the very responsible position he has taken in this matter, and also for his calling the issue to our attention.

Mr. DOMENICI. Mr. President, could we have order?

The PRESIDING OFFICER. The Senate is not in order. The Senate will please be in order.

Mr. BELLMON. I would also like to take just a moment to comment on the matter Senator HELMS has raised regarding the reauthorization of child nutrition programs being included in the reconciliation bill.

I share Senator HELMS' legitimate concerns that this action by the House Education and Labor Committee in the budget reconciliation conference is totally inappropriate and is outside the scope of the reconciliation conference.

From what I understand, there was a separate conference on reauthorizing child nutrition programs going on prior to the commencement of the reconciliation conference between the Senate Agriculture Committee and the House Education and Labor Committee. The Education and Labor Committee undertook, successfully, to take advantage of the situation.

The most distressing action that the House Committee took was to include extraneous and nongermane material from the other reauthorizing conference in their final offer to the Senate side on reconciliation, on a take-it-or-leave-it basis, making the choice for the Senate conferees either accepting the House offer with the extraneous material or foregoing the reconciliation savings. This may or may not be an attempt by the House Education and Labor Committee to sabotage the reconciliation process.

One of the results of the House maneuver which was distressing to me was that it killed any hope of this Congress adopting a pilot program of consolidated child nutrition grants to the States. The Senate approved this program as a result of an amendment I offered to S. 2675, the Senate's version of the child nutrition legislation. This would have been an important innovation which is now unfortunately dead for the present thanks to the House Education and Labor Committee's distortion of the purposes of reconciliation.

Fortunately, the Senator from North Carolina has been very accommodating and understanding, and has not stood in the way of this reconciliation bill, even though the House Education and Labor Committee has been most uncooperative in this matter.

The purpose of reconciliation is to achieve savings in programs. It was never intended to be used as a vehicle for reauthorizing, extending, or expanding programs, or bringing in other matters from other conferences not related to reconciliation.

We are all learning about the reconciliation process, Mr. President. We have seen how a few Members can hold a reconciliation bill hostage until provisions having nothing to do with reconciliation are incorporated. I hope we have learned from this experience, Mr. President. Specifically, I trust that when the Budget Act is next amended provisions will be added to preclude actions such as those taken by the Education and Labor Committee.

Mr. President, I again thank the Senator from North Carolina for his very responsible attitude and commend him.

Mr. HELMS. If the Senator will yield, I thank him for his generous comment.

MORTGAGE REVENUE BONDS

● Mr. BAUCUS. Mr. President, I will vote in favor of the Omnibus Reconciliation Act of 1980. I will do so because I

think it is an important part of our effort to reduce Federal expenditures and the deficit and provides this Nation with some measure of fiscal responsibility. And it is a strong indication that the congressional budget process does work and that it can lead to budget savings.

But I do not agree with every provision of this act, and I am particularly disturbed by title IX in which the conferees have accepted the House bill to limit the use of tax-exempt bonds for mortgage financing.

This provision will eliminate a program that has helped thousands of Montanans to afford to own their own homes. Since 1975, the housing authority in my own State of Montana has maintained an excellent record of service, carefully targeting the proceeds of its bond issues to those in need of the money—lower income Montanans.

I do think that documented abuses of housing revenue bonds should be rectified. Unfortunately, the legislation we are considering today will cripple responsible programs like the one that is operated in Montana.

I am particularly concerned about a provision in the bill which requires that each mortgagor must not have been a homeowner within the last 3 years. This will sharply limit the the program. Montana has a small population and this requirement will probably make it impossible to issue bonds in amounts that would be of interest to investors.

Mr. President, as a member of the Finance Committee, I will be asking my colleagues to reconsider the mortgage bond issue in the 97th Congress. Decent housing is a right of every American. I fear that in our haste today we may be denying many that right.●

● Mr. GLENN. Mr. President, I rise to express my support for a provision in the budget reconciliation conference report which provides for a $1,000 credit against windfall profit tax liabilities in 1980 for small royalty owners.

The Crude Oil Windfall Profit Tax Act is unnecessarily harsh on small royalty owners. It sets tax rates of 70 percent on upper and lower tier oil, 60 percent on stripper oil, and 30 percent on newly discovered, incremental tertiary and heavy oil. The law does not distinguish between large and small royalty owners. What it does is set the windfall profit tax rates for all royalty owners at the same levels as those applicable to the major oil companies. Without question, this is not the way the law should be.

There are 2 million royalty owners throughout this country and 150,000 in Ohio. Most of these royalty owners are small landowners and farmers who depend on their royalty check income for daily living expenses. The windfall profit tax cuts deeply into that income and is causing financial hardship to many. A royalty owner with stripper well production, the most common situation in Ohio, is finding that his royalty income is being cut 36 percent due to the tax. I do not believe that Congress intended that this be the case and I think the law should be changed to substantially lessen the impact on these royalty owners.

The $1,000 tax credit is a good first step but it applies only to 1980. The tax credit should either be extended on a multiyear basis for the duration of the windfall profit tax or some other modification in the tax should be made at the earliest possible time. To that end, I cosponsored Senator DOLE's bill earlier in the year which would exempt from the windfall profit tax the first 10 barrels per day of royalty interest. I think this bill should be reintroduced in the new Congress and passed.

The House-Senate conferees approved the $1,000 tax credit but I am disappointed that they did not approve a provision passed by the Senate, which I supported, which would have exempted from the windfall profit tax the first two barrels per day of stripper production. This exemption would have applied for fiscal year 1981. I believe that this exemption would not be nearly enough. I fully support an exemption for the first 1,000 barrels per day of production by independent producers and I will join efforts to accomplish this in the next Congress.

Small independent producers and small royalty owners should be encouraged, rather than discouraged, to put their money at risk and lease their land in order to search for and produce oil so that we can move closer to energy independence. I believe that the high rates of tax imposed by the Crude Oil Windfall Profit Tax Act on both groups should be modified in order to provide adequate exemptions for appropriate relief.

Mr. President, I also want to take a moment of the Senate's time to express my pleasure that the reconciliation conference report sustains the overwhelming position of the Senate as a whole on the issue of continued 6-day delivery of mail by the U.S. Postal Service. While the conferees from the Commitee on Governmental Affairs and the House Post Office and Civil Service Committee were able to achieve a compromise on postal issues, the job was made somewhat difficult by the fact that reconciliation instructions in this area were not referred to the committee with legislative jurisdiction, but rather to the Senate Appropriations Committee. We consequently faced a conference without having Senate-passed provisions on the table. In the future, it would be preferable if reconciliation instructions were referred consistently in order that both the Senate and the House have the opportunity to fully consider proposed legislative changes.●

● Mr. McGOVERN. Mr. President, I rise in support of H.R. 7765, the omnibus reconciliation bill. Title II of the bill cuts $285 million from the child nutrition programs during the remainder of this fiscal year. On an annual basis, this is a cut of $550 million, or roughly a 10-percent cut in these programs so important to the health and well-being of our Nation's children.

I regret the size of these cuts. I had supported legislation that would have cut a smaller amount. But the cuts that have been made have been fashioned in a manner that I believe will be least harmful to the integrity of these programs. I am pleased that only $150 million of these cuts have been made permanent. Larger permanent cuts could seriously undermine these programs.

This bill expands the child care feeding program to include for-profit day care centers that enroll any child that is paid for through title XX funds. I opposed inclusion of this provision. Adding $40 million in expenditures when fully implemented seems inadvisable when we are cutting $550 million. But this was the decision of the conferees, and I accept it as a part of the give-and-take that characterizes all conferences.

The next Congress will have time to review this decision before this expansion is implemented, since it will take many months for the regulation process to be completed. The other regulations required by this reconciliation bill and the change in administrations will cause the normal time required for drafting of regulations to be extended. Then, sufficient time must be given to the States and to other interested parties to comment on the regulations so that the final regulations will be workable for the States as well as the day care providers.

I am pleased that the conference report contains extensions of all nonpermanent child nutrition programs through 1984. This will permit a more orderly consideration of these programs as a package rather than the piecemeal approach that has been the case when programs expire each year.

The lifting of the WIC cap in fiscal 1982 is a positive feature of this bill. Studies have shown that every dollar spent by the WIC program saves $3 in hospitalization costs. If the cap were not removed for fiscal 1982, 250,000 to 300,000 participants would have to be eliminated from the program. Yet removal of the WIC cap does not mean uncontrolled Government spending, for the WIC program will still be subject to the appropriations process.

Before I close, I want to make a brief point to clarify section 202(b) of the bill, which adds a new subsection (f) to section 6 of the National School Lunch Act. The new subsection (f) prohibits the Secretary of Agriculture from offering commodity assistance based upon the number of breakfasts served, thus eliminating any entitlement to commodities for the school breakfast program. I want to make it clear that this provision is not intended to eliminate the authority given the Secretary under section 8 of the Child Nutrition Act of 1966 to donate foods acquired under price support and surplus removal activities. Further, commodities earned under the school lunch program do not have to be restricted to use in the lunch program as long as they are utilized within a school food authority's nonprofit food service, including the breakfast program.

Mr. President, I count my activities relating to these child nutrition programs as among the most important of my Senate career. I regret that among my last votes will be one that will support cuts in these programs. Yet only $150 million of these cuts will be permanent, and these programs, including WIC, will be extended through 1984. On balance, I feel this bill should be passed.●

● Mr. BUMPERS. Mr. President, the Omnibus Reconciliation Act of 1980 contains two very important provisions. The first one allows an annual tax credit of up to $1,000 for royalty owners whose royalties have been subject to the windfall profit tax. This credit is necessary to maintain the distinction, which Congress has made, and which I have always supported, between the large companies, which dominate the various aspects of the oil business, and the smaller operators and individuals who provide a marginal element of competition. This preserves broader participation in oil production than would otherwise be possible in the face of an oligopolistic trend.

For example, in 1976 Congress voted to exempt stripper well production from price controls. I cosponsored that legislation, and I am happy to point out that it clearly extended the productive lives of stripper wells, which represent three-fourths of all domestic wells. From a yearly average of 14,880 in the period of 1969 through 1975, the number of stripper wells closed down dropped to 8,380 in 1978. These wells produce a significant portion of our oil, over 391 million barrels last year, which amounts to about 24 days' supply for the entire Nation at current consumption rates. Putting it another way, domestic stripper production equals about 80 percent of our imports from Saudi Arabia.

This production was achieved with substantial effort, because the average production from stripper wells was less than 3 barrels per day. Clearly, this marginal production was too significant to interest major producers, but the exemption from price controls has provided an appropriate incentive for small operators to continue stripper wells. In order to maintain this production, it is necessary to preserve the underlying price incentive. That is why I supported the Senate's version of the windfall profits tax which provided an exemption of 1,000 barrels per day for independent producers. Although this provision was omitted in the final version of the bill, I trust that it may yet be restored in future legislation.

This revenue reconciliation bill, however, offers an immediate opportunity to rectify another flaw in the original windfall profit tax legislation, which imposes the tax upon royalty owners regardless of the size of their royalties. It contains a $1,000 tax credit to offset the impact of the tax upon small royalty owners.

Most small royalty owners merely own land upon which there is a producing well. Because most domestic wells are stripper wells, these royalty owners derive their interest from stripper production, which was not benefited by general phased decontrol, which, in turn, was the premise for the windfall profit tax. Therefore, most royalty owners did not benefit from general phased decontrol, and they should not be burdened by the attendant tax. Their royalty checks have not increased due to phased decontrol, but they have been decreased by the accompanying tax. That is not fair.

Moreover, the $1,000 limitation on the credit safeguards both the small royalty owners and the general revenues. For example, my survey of representative royalty interests in Arkansas shows that this credit will completely protect 90 percent of the royalty owners while exempting only about 10 percent of the royalties from the tax. Thus, this provision is necessary, just and appropriate, and I support it completely.

The second important provision in this revenue reconciliation changes the tax treatment for capital gains earned by nonresident aliens and foreign corporations upon the sale of real property. Under current law, nonresident aliens can completely escape capital gains taxes merely by staying out of the country for over half the year. Foreign corporations are taxed upon capital gains only to the extent they are connected with U.S. business or, if they are not, they are taxed only if they fall within certain narrow categories.

In contrast, Americans are fully subject to the ordinary income and capital gains taxes. They cannot escape capital gains taxes simply by leaving the country. American corporations pay capital gains taxes regardless of whether the underlying transaction was connected with U.S. business. Consequently, Americans may be placed at a serious disadvantage when investing in property located in the United States. An American who sells a capital asset is taxed on the gain. Thus, his proceeds are reduced. By comparison, foreign investment is not reduced, leaving the foreign investor at a distinct advantage.

I introduced legislation to remove this unfair advantage by imposing the capital gains tax on all foreign investment. By comparison, the revenue reconciliation legislation imposes the tax on investments in real property only. Although I still prefer a comprehensive application of the tax, I understand the administrative difficulties which would be involved, and I welcome this legislation as a very significant step. It cures the worst part of the problem, because the combination of a depressed dollar and a tax haven, plus a desire for safe investment, has induced most foreign investors to invest in American real property.

Finally, this provision is not an attempt to curtail foreign investment in real property. It only puts domestic and foreign investors on equal footing, which is as it should be.●

Mr. BELLMON. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is all time yielded back?

Mr. ROBERT C. BYRD. On behalf of Mr. HOLLINGS, I yield back any remaining time.

Mr. BELLMON. I yield back any remaining time, Mr. President.

Mr. ROBERT C. BYRD. Mr. President, this will be the last rollcall vote tonight.

Mr. ARMSTRONG. Will the Chair state the question?

The PRESIDING OFFICER. The question is on agreeing to the conference report. All time has been yielded back. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Virginia (Mr. HARRY F. BYRD, JR.), the Senator from Idaho (Mr. CHURCH), the Senator from New Hampshire (Mr. DURKIN), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Montana (Mr. MELCHER), the Senator from Wisconsin (Mr. NELSON), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Florida (Mr. STONE) are necessarily absent.

I also announce that the Senator from Massachusetts (Mr. TSONGAS) is absent because of death in the family.

I further announce that, if present and voting, the Senator from West Virginia (Mr. RANDOLPH) would vote "yea."

Mr. STEVENS. I announce that the Senator from Maine (Mr. COHEN), the Senator from Missouri (Mr. DANFORTH), and the Senator from Nevada (Mr. LAXALT) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 83, nays 4, as follows:

[Rollcall Vote No. 502 Leg.]

YEAS—83

Armstrong	Goldwater	Nunn
Baker	Hart	Packwood
Baucus	Hatch	Pell
Bayh	Hatfield	Percy
Belmon	Hayakawa	Pressler
Bentsen	Heinz	Proxmire
Biden	Hollings	Pryor
Boren	Huddleston	Riegle
Boschwitz	Humphrey	Roth
Bradley	Inouye	Sarbanes
Bumpers	Jackson	Sasser
Burdick	Javits	Schmitt
Byrd, Robert C.	Jepsen	Schweiker
Cannon	Johnston	Simpson
Chafee	Kassebaum	Stafford
Chiles	Kennedy	Stennis
Cochran	Leahy	Stevenson
Cranston	Levin	Stewart
Culver	Long	Talmadge
DeConcini	Lugar	Thurmond
Dole	Magnuson	Tower
Domenici	Mathias	Wallop
Durenberger	Matsunaga	Warner
Eagleton	McClure	Weicker
Exon	Metzenbaum	Williams
Ford	Mitchell	Young
Garn	Morgan	Zorinsky
Glenn	Moynihan	

NAYS—4

Gravel	Helms	Stevens
Heflin		

NOT VOTING—13

Byrd, Harry F., Jr.	Durkin	Randolph
Church	Laxalt	Ribicoff
Cohen	McGovern	Stone
Danforth	Melcher	Tsongas
	Nelson	

So the conference report was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, there will be no more rollcall votes today.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a brief period for the transaction of routine morning business, for not to exceed 5 minutes, and that Senators may speak up to 1 minute therein.

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

PROPOSED CARTER ADMINISTRATION FISCAL YEAR 1982 VETERANS' ADMINISTRATION BUDGET

Mr. THURMOND. Mr. President, it has come to my attention that a cruel hoax is being portrayed on our Nation's veterans by the President's Office of Management and Budget (OMB).

Today OMB is in the process of negotiating the fiscal year 1982 budget for the Veterans' Administration. It is my understanding that this budget calls for drastic reductions in both personnel and programs. Foremost in these reductions is the elimination of 5,643 VA employees, most of whom are employed in VA hospitals as nurses, technicians and other direct-care health professionals. Not only has OMB taken a meat-ax approach to these personnel levels, they have indicated they will not recognize the 1,000 employees that were added by Congress in Public Law 96-151. Mr. President, this proposed action is in clear contradiction to the intent of Congress.

Mr. President, it is my understanding that the Carter fiscal year 1982 budget does not include funds for a "new" GI bill. The current GI bill expires December 31, 1981; therefore, the exclusion of such a costly item from budgetary consideration is irresponsible. Also, this budget does not include funds for a cost-of-living adjustment for service-connected disabled veterans receiving VA compensation. The cost of such a program during these times of high inflation surely will be near $1 billion.

Mr. President, these are only a few examples of how some members of the outgoing administration are deliberately undercutting the budget process and callously eliminating much-needed veterans' programs and services. The brunt of these unwise budget policies will be shouldered by the Reagan administration and our Nation's 30 million veterans.

Mr. President, in all fairness to the Administrator of the Veterans' Administration, Max Cleland, it is my understanding that he is appealing to the President these OMB reductions. I certainly hope President Carter considers the Administrator's appeal on these matters and overrules these arbitrary and capricious actions of OMB.

CONGRESSIONAL SCIENCE AND ENGINEERING FELLOWS PROGRAM

Mr. THURMOND. Mr. President, since 1973, over 140 scientists and engineers have participated in the congressional science and engineering fellows program.

These midcareer professionals have each served for 1 year in both Houses of Congress, the Office of Technology Assessment or the Library of Congress. In addition to there being a joint Senate/House resolution (S. 100, 94th Congress) endorsing the program, many Members of Congress who have been fortunate enough to participate in the program have all found this program to be helpful.

Mr. President, there are so many issues before Congress today that have science and engineering overtones that Congress needs to have the best available scientific judgment on these issues. Having been fortunate, Mr. President, to have had a congressional fellow on my personal staff this past year, and to currently have a second congressional fellow, I have seen firsthand the worth of this program.

Mr. President, I would like to express my appreciation and the appreciation of the entire Senate Armed Services Committee to Thomas L. Fagan, my recent congressional science and engineering fellow, who served as my special assistant for defense on the Senate Armed Services Committee. Mr. Fagan, who was sponsored by the Institute of Electrical and Electronic Engineers was on leave of absence from the General Electric Co. While supporting the Subcommittee on General Procurement, Mr. Fagan participated in over 30 congressional hearings. He assisted me in the markup of the Defense authorization bill.

Mr. Fagan also assisted me in a number of areas outside of the General Procurement Subcommittee such as technology transfer, the U.N. Moon Treaty, civil defense, the Vinson-Trammell Act, and other defense-related programs. A very special area wherein Mr. Fagan made a major contribution was in developing a new bill, S. 2977, the new GI bill of education. This bill will provide a major recruiting and retention tool for the armed services. I intend to introduce it again in the 97th Congress as S. 7. In addition to giving a 36-month stipend after 2 years of honorable service, it allows transfer of entitlement to dependents; early use of benefits prior to leaving the service, and half benefits for the Guard and Reserve.

Mr. Fagan also rendered valuable assistance by performing a cost-benefit analysis on the possibility of reactivating the battleship *New Jersey*. He supported my successful effort in adding this worthwhile initiative to the fiscal year 1981 DOD authorization bill. Although appropriation of these funds failed in a floor amendment by only three votes, I am hopeful that the Reagan administration will include a plan for ship reactivation in either the supplemental budget request or the fiscal year 1982 budget request. By reactivating the *New Jersey* we can bring into the fleet a highly capable fighting ship at one-seventh the cost and in one-sixth the time required to construct a comparable new ship. The reactivation of ships of this class will enable us to quickly bolster our naval presence in the Persian Gulf and greatly relieve the shortage of vessels we now have in other deployment areas.

Mr. President, Mr. Fagan has performed a very valuable service for the U.S. Senate and for our country. I extend to him my appreciation for his service to his country and urge other Members to make use of this worthwhile congressional science and engineering fellows program in the 97th Congress.

RELIEF OF DR. KA CHUN WONG, AND HIS WIFE, MARILYN WONG

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of H.R. 927 for the relief of Dr. Ka Chun Wong, and his wife, Marilyn Wong, and that the Senate proceed to the immediate consideration of the bill.

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

The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 927) for the relief of Dr. Ka Chun Wong, and his wife, Marilyn Wong.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (H.R. 927) was ordered to a third reading, was read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

GEORGIA O'KEEFFE NATIONAL HISTORIC SITE

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. JACKSON, I submit a report of the committee of conference on S. 2363 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2363) to authorize the establishment of the Georgia O'Keeffe National Historic Site, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report will be printed in the House proceedings of the RECORD.)

Mr. BUMPERS. Mr. President, this measure consists of a number of noncontroversial park-related items. I ask unanimous consent that a summary of the provisions agreed to by the conferees appear in the RECORD at this point.

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

PROVISIONS OF S. 2363

Title I would increase the development ceiling for the Roger Williams National Memorial in Rhode Island. This increase, if appropriated, will permit the landscaping

and development of the memorial to proceed as planned.

Title II would increase the development ceiling at the Hamilton Grange National Memorial in New York City to permit the badly needed restoration of the interior of Alexander Hamilton's home to proceed.

Title III would increase the acquisition ceiling at the Coronado National Memorial in Arizona to permit completion of the planned land acquisition program within the authorized boundary.

Title IV would authorize a boundary adjustment adding some 21,250 acres to the Big Bend National Park in Texas. The largest portion of the Rosillos Mountains would be included in this addition, which also includes several reliable water sources.

Title V would direct general management plans to be prepared by the Secretary of the Interior for the two new units of the National Park System authorized by this legislation.

Title VI would redesignate the Lyndon B. Johnson National Historic Site in Texas as a national historical park. Boundary adjustments and an increase in development funding are also authorized to permit implementation of the general management plan for the historical park.

Title VII would expand the Mound City Group National Monument in Ohio to include approximately 150 additional acres which include portions of the Hopeton Earthworks.

Title VIII would amend the Act which authorized protection of the Ansley Wilcox House in Buffalo, New York. The amendment would designate the property as the Theodore Roosevelt Inaugural National Historic Site, continue its operation by a local historical society, and permit matching federal funding which is not to exceed two-thirds of the annual operating costs.

Title IX would direct a study to be carried out of the river corridors in the vicinity of the cities of Minneapolis and St. Paul, Minnesota. The study would emphasize cooperative recreation planning for these resources.

Title X would add lands in San Mateo County to the Golden Gate National Recreation Area in California. These lands are primarily in public ownership and could be acquired only by donation. The private lands to be included can be acquired within the currently authorized acquisition ceiling for the recreation area. The GGNRA Advisory Commission is also expanded to include representation from this area.

Title XI would authorize a boundary adjustment at the Grant-Kohrs Ranch National Historic Site in Montana to delete certain unnecessary lands, as well as to convert some areas in scenic easement to fee acquisition. The development ceiling is also raised to permit restoration of the ranch, buildings and the development of support facilities.

Title XII would authorize the establishment of the James A. Garfield National Historic Site in Ohio.

The Western Reserve Historical Society would administer the home of our 20th President with assistance from the National Park Service.

Title XIII would designate a reservoir in the State of Kansas as the "Keith Sebelius Lake" in recognition of the retiring U.S. Representative.

Title XIV would expand the Monocacy National Battlefield in Maryland by some 450 acres, in accordance with a National Park Service management study. An additional authorization for development will also permit preparation of the area for visitor use.

Title XV would provide for suitable recognition of the late Rogers C. B. Morton at Assateague National Seashore in Maryland.

Title XVI would establish the Women's Rights National Historical Park in New York State. Several properties in the town of Seneca Falls associated with Elizabeth Cady Stanton and the Women's Rights Convention of 1848 would be acquired. Other related historic properties would be administered through cooperative agreements or with less-than-fee acquisition.

Title XVII is a budgetary restriction which limits the authorizations in this measure to be effective with fiscal year 1982.

Title XVIII defines the term "Secretary" as being the Secretary of the Interior.

Mr. BUMPERS. Mr. President, I move the adoption of the conference report.

The conference report was agreed to.

INDIAN HEALTH CARE AMENDMENTS OF 1980—CONFERENCE REPORT

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. MELCHER, I submit a report of the committee of conference on S. 2728 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2728) to amend the Indian Health Care Improvement Act and the Public Health Service Act with respect to Indian health care, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of December 1, 1980.)

The PRESIDING OFFICER. Without objection, the conference report is agreed to.

MAJOR LEGISLATIVE ACHIEVEMENTS

(96th Congress)

Mr. ROBERT C. BYRD. Mr. President, as the 96th Congress approaches adjournment sine die, I should like to take this opportunity to review its major achievements.

The 96th Congress established a notable record on many fronts. It enacted important laws to further energy independence, strengthen our national defense, improve the international rules of trade, bolster our foreign policy, reduce burdensome Federal regulation, and protect our environment.

In the area of energy, this Congress added two landmark laws—the crude oil windfall profit tax and the synfuels act—to the package of major energy initiatives of the 95th Congress. Taken together, these legislative acts provide the basic components of a comprehensive national energy policy. For a decade, Congress had dealt piecemeal with various aspects of the energy problem, but during the 95th and 96th Congresses, under the leadership of a Democratic administration and Congress, the first comprehensive national energy policy was put in place. Its four basic elements—ending price controls to spur domestic production while levying a windfall profit tax, encouraging conservation of oil and gas, developing alternative fuels sources, and providing for emergency supplies—are sound. They will stand the test of time.

The major legislation embodying this national energy policy as forged into law by the Democratic Congress during the last 4 years, includes:

Department of Energy Organization Act, Public Law 95–91, which merged several separate agencies into a cabinet-level department for the purpose of providing cohesive administration of a national energy policy;

Public Utility Regulatory Policies, Public Law 95–617, which encourages both changes in utility rates that reward energy conservation by large and small consumers and recycling of waste energy;

Energy Tax Act, Public Law 95–618, which provides numerous tax incentives to individuals and businesses for conserving energy and for investments in solar energy and renewable energy resources;

National Energy Conservation Policy Act, Public Law 95–619, which establishes both voluntary and mandatory energy conservation programs to reduce the rate of growth in domestic energy consumption, and authorizes numerous loan and weatherization grant programs to assist low-income families and schools to make conservation investments;

Powerplant and Industrial Fuel Use Tax Act, Public Law 95–620, which limits the use of oil and natural gas in industrial boilers and prohibits the use of natural gas in utility powerplants after 1990;

Natural Gas Policy Act, Public Law 95–621, which gradually phases out price controls on natural gas, with complete decontrol by 1985, as a means of encouraging increased production of domestic oil and gas while buffering consumers from drastic price increases; and this year, the

Crude Oil Windfall Profit Tax Act, Public Law 96–223, which imposes a $227.7 billion special oil excise tax to reduce increased oil profits due to price decontrol. The revenues generated thereby will be used over the next decade to provide incentives to individuals and corporations to spur energy conservation, solar power, and alternative fuel investments and to ease the effect of higher energy prices on low-income persons. Public Law 96–233 also allows reduced tax rates on small independent oil producers and on new oil production in order to encourage exploration and development; and the

Energy Security Act/Synfuels, Public Law 96–294, which establishes an $88 billion program over 12 years to foster the production of synthetic fuels from coal and oil shale through the development of a commercially viable synthetic fuels industry. The goals of this act are to produce at least 500,000 barrels of oil equiv-

alent per day by 1987 and 2 million per day by 1992. It provides tax incentives, grants, and loans to encourage conservation and use of solar power. The act makes available $1.45 billion for the development of gasohol plants to achieve a production goal of 10 percent of estimated gasoline consumption by 1990.

This Congress also has enacted measures to cope with energy crises. The President, for example, was given authority to have an emergency program on hand which would include gasoline rationing in case of a severe shortage. Recently, the Congress also directed that the strategic petroleum reserve be filled at a rate of 300,000 barrels per day.

The Senate has passed numerous other energy bills. Regrettably, the three most important of these have not received final action by the House. The first would create an Emergency Mobilization Board with power to cut redtape and allow "fast track" decisions by Federal, State, and local governments on priority energy projects. The second would require 80 electric generating powerplants to convert from their present use of petroleum to coal or another alternative energy source. The third would deal with disposal of radioactive wastes. A complete listing of Senate work this session on energy legislation is contained in the report which I shall submit for the record at the conclusion of my remarks.

This Senate has placed the defense budget on a path of steady and sustained real growth, in contrast to the decline of 31 percent between 1969 and 1976. That trend has been reversed. Defense programs, readiness, manpower, mobilization, and equipment modernization have been strengthened. The defense authorizations and appropriations represent the largest peacetime defense legislation in our history.

Important steps were taken regarding U.S. intelligence operations with the enactment of the intelligence authorization-oversight bill. Specific congressional oversight provisions were written into law for the first time. To stress the value of consultation with Congress on critical intelligence questions, this act requires the executive branch to give Congress, through its Intelligence Committees, or through the joint leadership in extraordinary circumstances, prior notice of major activities. This process of joint consultation on intelligence activities creates a means by which both the accountability and confidentiality of the intelligence agency can be assured.

A rapidly changing international situation shaped Senate action in regard to foreign affairs and trade. Soviet intervention in Afghanistan, for example, created a political climate in which it was not possible to debate the SALT II treaty between the United States and the Soviet Union on its merits. Nevertheless, the hearings on SALT II were most useful in focusing on profound questions of nuclear rivalry and its relation to U.S. defense needs. The Senate did approve in the previous Congress the Panama Canal treaties, and this Congress enacted legislation to carry out the terms of the treaties. The value of these measures is to be seen in the trouble-free operation of the canal since ratification of the treaties and the cooperation of the Panamanian Government with the United States in other matters of importance to this Nation.

In furthering relations with the People's Republic of China, the Senate acted early this year to implement the first trade agreement between the two countries. This agreement removed trade barriers and established most-favored-nation trade status for China. These measures lay the basis for expanding trade with that nation.

Legislation to implement the trade agreements negotiated under the Trade Act of 1974 in the Tokyo round of the multilateral trade negotiations, which was enacted during the first session, have resulted in expanded international trade.

Special assistance in the amount of $75 million was provided Nicaragua to help in rebuilding an economy devastated by civil war.

A series of Senate resolutions was adopted that clearly put the Senate on record regarding Soviet intervention in Afghanistan and in support of the administration's efforts to free the hostages in Iran.

On the domestic front, the Congress continued to adhere to its deep commitment to reduce Federal spending and fight inflation. For the first time in the history of the new budget process, Congress voted for a balanced budget, and if the economy had not taken a downturn, a balance would have been achieved.

In order to realize the savings incorporated in its restrained budget, the 96th Congress employed the "reconciliation" process for the first time. By changing existing spending and revenue laws, the Congress reduced the projected deficit by $8.2 billion through the reconciliation process.

To assist small businesses, $3 billion was authorized over 2 years for Small Business Administration loans and grants. A package of legislation was enacted to promote the development and aid in the expansion of small business concerns. Provisions were included to help small businesses to raise investment funds, to encourage their trade overseas, and to ease the impact of Government regulations and certain securities laws on small firms.

In an effort to eliminate burdensome Federal regulation in the transportation field, the 96th Congress brought about major changes to the trucking and railroad industries which complement the deregulation of the airline industry enacted during the 95th Congress.

Another important step in cutting excessive Federal regulation was achieved with the enactment of the comprehensive banking institutions reform bill. This measure authorizes banks, savings and loans, and credit unions to offer NOW accounts, which are the equivalent of interest-bearing checking accounts. It was well worth the 6 years of effort which it took to bring about this law. Its effect will be to restructure the entire banking-financial system in order to achieve greater benefits for the public and greater equality between competing institutions, while preserving the viability of the thrift institutions.

The passage of the Alaska Lands bill by the 96th Congress was a landmark in environmental law. As enacted, various development restrictions were imposed on 104 million acres of Federal lands in Alaska. By this act, the national park and wildlife refuge areas in this country were more than doubled, and the areas designated as wilderness, where no development is permitted, were more than tripled. This measure will provide protection for the irreplaceable splendor of the wilderness in 28 percent of the State of Alaska. At the same time, it permits rational development of the petroleum and other great natural resources of the Nation's largest State.

Programs under the Clean Air Act, the Safe Drinking Water Act, and the ocean dumping law were extended for 3 years. The Solid Waste Disposal Act was also extended and revised to give the Environmental Protection Agency tougher enforcement authority to control "midnight dumpers" of hazardous wastes.

The other major piece of environmental legislation, known as the superfund bill, passed the Senate last week and could be cleared for the President's desk this week. It establishes a 5-year $1.6 billion Hazardous Substances Response Fund, financed primarily by producers of chemicals and toxic substances. This fund will pay for timely Government response to threats to the environment from such substances and to clean up those toxic sites already in existence for which specific liability cannot be established.

As I have indicated in my remarks, many of the achievements of this Congress were built upon successes attained by the 95th Congress. While I have noted a few of the major achievements of the previous Congress, I would be remiss in not mentioning others, such as the enactment of the first comprehensive overhaul of the civil service system in almost 100 years, an increase in the minimum wage, two multibillion dollar tax cuts, the creation of a Department of Education and a loan assistance program for middle-income students, a strip mining control and reclamation program, which had been vetoed three times by Republican Presidents, special assistance in support of the first peace treaty ever concluded between Israel and Egypt, and the lifting of the Turkish arms embargo. Under Democratic leadership, the Senate obtained significant improvements in the operation of this legislative body. During the last 4 years, the Senate reorganized committee jurisdictions, adopted a code of conduct which requires financial disclosure by Senators and top aides, placed a 100-hour cap on postcloture debate, and recodified the Standing Rules of the Senate for the first time in 95 years.

The record of achievement by the Democratic-led 95th and 96th Congresses is considerable, as indicated by the actions I have highlighted. These accomplishments would not have been possible without the outstanding contributions made by the talented and dedicated

chairmen of the legislative committees and by many other Members of this body. I wish to express my gratitude to my colleagues for their diligence and cooperation in helping to write this record.

A more complete account of the work of the 96th Congress is contained in a report prepared by the staff of the Democratic Policy Committee. I ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks. I also ask permission that it and additional related material be printed as a Senate document.

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

AGRICULTURE

Agricultural commodity marketing: Requests the Secretary of Agriculture to: (1) emphasize the use of all marketing tools available to farmers including, but not limited to, futures markets and forward contracting; (2) appoint a task force of individuals representing the futures industry, the Department of Agriculture, and the land-grant colleges to develop educational programs for farmers on the availability of futures markets and forward contracting as a means of hedging against future risks; and (3) submit a plan of implementation within 120 days. S. Res. 225—Senate agreed to January 25, 1980. (VV)

Agriculture subterminal storage facilities: Amends the Consolidated Farm and Rural Development Act to authorize loans for the construction and improvement of subterminal storage and transportation facilities for agricultural commodities that can be transported in bulk from the farm and temporarily stored in bulk quantities without undergoing processing or packaging, and commodities used by producers in the production of agricultural commodities that can be stored or shipped in bulk; authorizes $3.3 million for fiscal 1981, 1982, and 1983 to provide cost-sharing planning grants (up to 80 percent of the cost of developing the plan) to States and groups of States for the development of State and regional subterminal facilities plan; provides that no State or region can apply for a planning grant unless a plan review commission consisting of local producers, local elevator operators, representatives of the affected motor and rail carriers, and other interested parties concur in the need for such a plan; and authorizes the Secretary to insure and guarantee loans for the construction and improvement of subterminal facilities to applicants within States or regions that have developed subterminal facilities plans which have been approved by the local plan review commission and gives preference to existing agricultural elevator operators and local producers in the area to be served by the subterminal facility. S. 261—Public Law 96–358, approved September 25, 1980. (VV)

Aquaculture policy: Establishes an interagency coordinating group within the Office of Science and Technology Policy that will operate as a Joint Subcommittee on Aquaculture of the Federal Coordinating Council on Science for Engineering and Technology which will be responsible for coordinating aquaculture activities among Federal agencies; requires the Secretaries of Agriculture, Commerce, and the Interior, through the Joint Committee to undertake an ongoing assessment of the U.S. aquaculture industry, to maintain an information service, conduct appropriate surveys, and arrange for information exchanges with foreign countries; authorizes the Secretaries to conduct tests and construct and operate developmental aquaculture facilities to test laboratory results; calls for biennial reports to Congress on the status of U.S. aquaculture; requires the Secretaries, within 12 months, to conduct and submit to Congress studies of the capital requirements of the U.S. aquaculture industry and State and Federal regulatory restrictions on aquaculture development, and within six months of the completion of these studies, to formulate and submit plans containing specific steps to remove unnecessary burdensome regulatory barriers; authorizes the Secretaries to enter into or make grants to implement the plan at no more than one-half of the estimated cost of the project; and authorizes therefor $7 million, $10 million and $12 million for fiscal 1981, 1982, and 1983, respectfully, each to the Departments of Agriculture and Commerce, and $3 million, $4 million, and $5 million for fiscal 1981, 1982, and 1983, respectively, to the Department of Interior, S. 1650—Public Law 96–362, approved September 26, 1980. (VV)

Consolidated farm and rural development loans: Amends the Consolidated Farm and Rural Development Act, which authorizes rural development loan programs, to set overall lending limits for fiscal 1980, 1981, and 1982 (pursuant to section 346 of that act which requires that lending limits for the loan programs be set every three years); sets loans under the Agricultural Credit Insurance Fund for: real estate loans—$1.615 billion (including $1.5 billion for farm ownership loans of which $1.4 billion is for insured loans), $100 million for guaranteed loans and $100 million for water development, use and conservation loans of which $90 million is for insured loans and $10 million for guaranteed loans), for operating loans—$1.2 billion (of which $1.15 billion is for insured loans and $50 million for guaranteed loans), and for emergency disaster loans—such amounts as necessary to meet needs resulting from natural disasters; set loans under the Rural Development Insurance Fund for: insured water and sewer loans—$1 billion, for business and industrial development loans—$1.5 billion (of which $100 million is for insured loans and $1.4 billion for guaranteed loans), and for insured community facility loans—$500 million; requires that the emergency loan program be administered in a manner that will foster and encourage the family farm system of agriculture; authorizes guaranteed or insured loans for the installation of nonfossil energy systems on family farms, and for rural industrialization through nonfossil energy system development; increases 10,000 to 20,000 the inhabitants population of cities and towns eligible for community facility loans (such as for hospitals, fire stations, etc.); establishes a $500,000 ceiling per disaster on the amount of an emergency loan for actual losses and an outstanding indebtedness ceiling for any one borrower for emergency loans for purposes other than to cover actual losses of $1.5 million; authorizes actual loss loans, with a limit of $500,000 per disaster, to applicants who can obtain credit elsewhere at a rate of interest to be determined by the Secretary but not to exceed the cost of money to the government plus an additional charge of not more than one percent per year; sets the rate of interest on such loans at five percent for applicants who cannot obtain credit elsewhere; requires at least written declaration of credit as proof of inability to obtain credit; requires that the Secretary determine that an applicant cannot obtain a private guaranteed loan for emergency loans of more than $300,000 in excess of actual loss; requires that the net worth of any loan applicant be considered; authorizes subsequent emergency loans for annual operating purposes for two additional years after the disaster; repeals section 323 of the Act to remove the requirement that Farmers Home Administration county committees certify the loan amount for emergency loans; gives the Secretary authority to extend eligibility to aliens lawfully admitted for permanent residence; and provides that persons who farm land in Hawaii under lease arrangements may be considered as owner-operators of the land for the purposes of the loan programs. S. 985—Public Law 96–438, approved October 13, 1980. (VV)

Crop insurance: Revises the Federal Crop Insurance program for farmers and provides for expansion of the program to all crops and all farmers; requires the Federal Government to pay 30 percent of the premiums covering 65 percent or less of the yield in order to encourage the broadest possible participation in the program;

Increases the authorized capital stock of the Federal Crop Insurance Corporation from $200 to $500 million; increases membership of the Board of Directors of the Corporation from five to seven members, and specifies the makeup of the Board which shall include three members who are active farmers and policy holders;

Authorizes the Corporation, in administering the Federal Crop Insurance Act, to: (1) establish or use committees or associations of producers, (2) contract with private insurance companies, and (3) encourage the sale of Federal Crop Insurance through licensed private insurance agents and brokers; requires the Corporation to provide reasonable indemnification to private insurance agents and brokers for errors or omissions of the Corporation removes, beginning with the 1981 crop year, the existing 150-county and three-commodity annual limits on expansion of the Federal Crop Insurance program and the 20-county limit on the program to provide Federal reinsurance to private crop insurers;

Establishes coverage under the new Federal crop insurance program as follows: (1) makes insurance available for up to 75 percent of the recorded or appraised average yield, (2) retains existing law which requires that yield coverage be based on the producer's yield for a representative period, subject to such adjustments as the Board may prescribe to insure that the average yields fixed for farms in an area are fair, (3) makes price coverage available per unit of production, at the highest target price (if any), loan rate (if any), or the projected market prices, and (4) makes lower levels of yield coverage and other price selections available;

Authorizes the Corporation to reinsure State and local crop insurance programs; requires the Corporation to subsidize crop insurance premium costs as determined by the Board of Directors; provides that a producer may have coverage from hail and fire risks deleted from his Federal Crop Insurance policy if he obtains equivalent coverage from non-Federal sources; authorizes the Corporation to offer Federal Crop Insurance and provide for reinsurance in Puerto Rico and other U.S. commonwealths and territories;

Effective October 1, 1980, deletes the $12 million limit on annual appropriations to cover the Corporation's operating and administrative expenses; authorizes annual appropriations to the Corporation to cover agents' commissions, payments of premiums by the Corporation, direct cost of crop inspections and loss adjustments, and interest on Treasury notes, and authorizes the Corporation to use insurance premium funds to cover expenses of agents' commissions, loss adjustment, and crop inspection and authorize restoration of premium funds used for these purposes by appropriations in following years; authorizes the Secretary of Agriculture to use the funds of the Commodity Credit Corporation or borrow from the U.S. Treasury whenever funds otherwise available to the Corporation are insufficient to enable it to cover program expenses or pay indemnity claims; and

Extends the disaster and prevented plant-

ing disaster payments programs to the 1981 crops of wheat, feed grains, upland cotton and rice and gives producers the option in 1981 of choosing between such disaster payments on the respective commodity or participating in the share-cost crop insurance program. S. 1125—Public Law 96-365, approved September 26, 1980. (*268)

Economic emergency loan program: Extends, through September 30, 1981, the Secretary of Agriculture's authority under the Emergency Agricultural Adjustment Act of 1978, to make insured or guaranteed economic emergency loans to farmers and ranchers who are unable to obtain sufficient credit elsewhere due to national or areawide economic stress; increases from $4 billion to $6 billion the total principal balance that may be outstanding on these loans at any time; requires that, for purposes of determining if applicants for economic emergency loans cannot obtain credit elsewhere, the applicant must submit proof of one refusal for credit under $300,000 and proof of two refusals for credit over $300,000; requires an applicant to have purchased a home or farm at least one year prior to applying for refinancing the property; requires the Secretary to review insured loans three years after they are initially granted and every two years thereafter to determine if the borrower is able to obtain financing from cooperative or private sources; disallows insured loans of more than $300,000 unless it is determined that the applicant is unable to obtain a guaranteed loan sufficient to finance his or her actual needs within a reasonable time; requires, effective October 1, 1980, as a condition of eligibility for receiving economic emergency loans, that borrowers meet the same "credit elsewhere" test required under the other farm loan programs administered by the Farmers Home Administration; and requires the Secretary to submit to Congress, by March 31, a comprehensive study of the operation and effectiveness of the economic emergency loan program, including any need for extending the authority to insure and guarantee loans by September 30, 1981. S. 2269—Public Law 96-220, approved March 30, 1980. (VV)

Egg research and consumer information—silver commodities: Amends the Egg Research and Consumer Information Act of 1974 to: increase from 18 to 20 the maximum allowable number of American Egg Board members with the requirement that two members be consumers or representatives of consumers; authorize the Secretary of Agriculture to increase the producer assessment rate for fiscal 1981 from not more than five cents per case of 30-dozen eggs to not more than 7½ cents, and each fiscal year thereafter by not more than three-quarters of a cent per case up to a maximum total assessment of ten cents per case, subject to approval in a referendum; provide that failure of producers to approve an amendment to the egg research and promotion order will result in maintaining the order existing at the time of the referendum; authorize the Secretary to assess civil penalties of not less than $500 nor more than $5,000 and issue cease and desist orders for violations of orders and regulations and assess civil penalties of $500 per offense for failure to abide by a duly issued final cease and desist order; authorize action by the Attorney General in the U.S. district court to restrain violations of orders and regulations and to collect civil penalties assessed under the Act; and provide for appeal of the Secretary's order in a contested case to the U.S. Court of Appeals; and

Requires the Commodity Futures Trading Commission to establish an international study group composed of individuals from the Federal Reserve Board, the Department of Treasury, and the Securities and Exchange Commission to analyze the various aspects of events in the silver cash and futures markets during the period of September 1979 through March 1980 and report to Congress, by October 1, 1980, their findings and legislative recommendations, H.R. 6285—Public Law 96-276, approved June 17, 1980. (VV)

Farm credit system: Amends the Farm Credit Act of 1971 to update and improve the operation of the Farm Credit System; reduces from 80 percent (70 percent in the case of rural utility cooperatives) to 60 percent the minimum voting control of a cooperative that must be held by farmers, aquatic producers, or harvesters, or eligible cooperatives in order for the cooperative to be eligible for loans from a bank for cooperatives; authorizes Federal land banks to make loans in excess of 85 percent, but not in excess of 100 percent, of the appraised value of the real estate security if the loan is guaranteed by Federal or other governmental agencies; authorizes Federal land banks and production credit associations to make loans to finance basic processing and marketing directly related to an applicant's farm, ranch, or aquatic operation and those of other eligible farmers, ranchers, or producers if the applicant's operation supplied at least 20 percent of the amount of the commodity to be processed or marketed; authorizes the banks for cooperatives to finance transactions for the exportation of agricultural and aquatic products by U.S. cooperatives that are borrowers from the banks; and provides the cooperative with other financial services to enable them to participate effectively in foreign markets for agricultural and aquatic products; authorizes Federal land banks to make real estate mortgage loans to producers or harvesters of aquatic products and Farm Credit System institutions to provide to borrowers, members, and applicants financial-related services appropriate to their aquatic operations; permits Federal intermediate credit banks to discount aquatic loans of lending institutions outside the Farm Credit System; specifies that cooperatives engaged in furnishing aquatic business services are eligible to borrow from the banks for cooperatives; authorizes Farm Credit System institutions to extend credit and other services to persons in the U.S. Virgin Islands and to invest or participate in loans with other System institutions, and Federal land banks to sell loans to, and participate in loans with, lending institutions outside the System; authorizes production credit associations to issue participation certificates to lending institutions outside the Farm Credit System; authorizes any Farm Credit System institution to enter into general loss-sharing agreements with other System institutions; authorizes Federal intermediate credit banks and banks for cooperatives to transfer more than 25 percent of net annual earnings to reserve or allocated surplus accounts; authorizes Federal land banks and Federal land bank associations to pay patronage refunds and dividends to stock and participation certificate holders; authorizes Federal land bank associations to contribute to the capital of Federal lands banks, and authorizes the banks to issue equities to evidence such contributions to capital; provides that State truth-in-lending laws that impose duties that are no longer required under the Federal truth-in-lending statute not be applicable to credit transactions of Farm Credit System institutions and livestock credit corporations organized in conjunction with cooperatives and eligible to discount with the Federal intermediate credit banks; clarifies the authority of the Farm Credit System institutions to set interest rates without limitation by State law and extend a similar exemption to livestock credit corporations organized in conjunction with cooperatives and eligible to discount with Federal intermediate credit banks; authorizes Farm Credit System institutions to sell to their members, on an optional basis, credit or term life and credit disability insurance appropriate to protect the loan commitment, and other insurance necessary to protect the member's farm or aquatic unit, but limited to hail and multiple-period crop insurance, title insurance, and insurance to protect the facilities and equipment of aquatic borrowers; authorizes Farm Credit System banks to organize Federally-chartered corporations to perform services and functions (other than the extension of credit or the provision of insurance services for borrowers) that the banks are authorized to perform under the Farm Credit Act of 1971; requires the Farm Credit Administration to adopt a policy statement pursuant to which it would be required to consult with the Secretary of the Treasury and the Federal Reserve on the issuance of debt obligations; authorizes the Federal Farm Credit Board, with certain limitations, to set the salaries of the Governor and deputy governors of the Farm Credit Administration and to fix allowance for travel, relocation, and subsistence for any newly appointed Governor of the Farm Credit Administration; authorizes the Governor to establish a salary and classification system, and job position qualification requirements, for Farm Credit Administration employees; and authorizes presidents of Farm Credit System banks to designate persons to represent them on interbank finance committees. S. 1465—Passed Senate July 24, 1980; Passed House amended November 19, 1980. (VV)

FIFRA: Extends and increases the authorization to support the Federal pesticide program under the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) for fiscal 1981 at a level of $77.5 million which includes $9,435,000 for pesticide research, $1.5 million for the integrated pest management program, and $2 million for the disposal of the herbicide Silvex which use was suspended by EPA in 1979; requires the Administrator of EPA, upon suspending registration of a pesticide due to imminent hazard, to promptly submit the action taken for comment by the Scientific Advisory Panel; authorizes the Chairman of the panel to create temporary subpanels on specific projects which may include scientists who are not members of the panel; requires EPA to set up formal written peer review procedures for independent scientific review of the design and results of major scientific studies used as the basis of EPA regulatory actions; contains a legislative veto provision under which Congress could adopt a concurrent resolution disapproving a proposed rule or regulation, once promulgated, within 90 calendar days of continuous session of Congress; provides that the rule would become effective within 60 calendar days of continuous session if Congress has taken no action; and provides for judicial review of the constitutionality of the legislative veto provisions under expedited procedures. H.R. 7018—Passed House June 24, 1980; Passed Senate amended July 24, 1980; Senate agreed to conference report December 1, 1980. (VV)

Grain export weighing: Amends the U.S. Grain Standards Act to permit intracompany shipments of grain into export elevators by transportation modes other than barge to be transferred without official weighing. H.R. 5546—Public Law 96-437, approved October 13, 1980. (VV)

Grain reserves: Amends the Agricultural Act of 1949 to assist farmers with their excess 1979 crops of corn and wheat as a result of the President's embargo of grain to the Soviet Union during the recent Soviet aggression in Afghanistan; authorizes the Secretary of Agriculture to make long-term price support loans under the farmer-held reserve program on the 1979 crops of corn and wheat to any producer who did not participate in

the 1979 set-aside program; authorizes the Secretary to sell corn owned by the Commodity Credit Corporation for conversion into alcohol fuel, at not less than the grain reserve release price, to those alcohol producing facilities which begin operation after January 4, 1980, and which also have the capability for producing alcohol from agricultural or forestry biomass feedstocks, provided corn supplies are not available; increases from $50,000 to $100,000 the loan ceiling under the farm storage facility loan program for the construction of storage facilities; and eliminates the current limitation on loans to the space required to store the quantity of the commodity estimated to be produced by the borrower during a two-year period. S. 2427—Public Law 96-234, approved April 11, 1980. (VV)

Hay transportation: Directs the Secretary of Agriculture to adjust or cancel certain claims, under the Hay Transportation Assistance Program, that arose from a discrepancy in the method of calculating the rate of reimbursement to farmers for transporting roughage purchased from points beyond their normal trade area to the location of their livestock in a designated drought-striken county. S. 1625—Public Law 96-356, approved September 24, 1980. (VV)

Rural development policy: Directs the Secretary of Agriculture to assume a leadership role in coordinating a nationwide rural development program through formulation of a rural development policy and preparation and implementation of a rural development strategy; establishes a new position of Under Secretary of Agriculture for Small Community and Rural Development; extends until October 1, 1981, rural development and small farm research and extension programs under Title V of the Rural Development Act of 1972; requires the Secretary to expand research and development efforts related to technologies which are appropriate for small and moderate size family farm applications; replaces the five annual reports to Congress on various aspects of rural development with one comprehensive rural development strategy and annual updates; increases from $10 to $15 million the annual authorization for FmHA planning grants and permits, and authorizes up to $1 million annually for establishment of a system for dissemination of information on Federally-sponsored programs; authorizes $1.9 million in fiscal 1981 for initial planning and construction of the WEB Rural Water Development Project in South Dakota, and an additional $68.1 million for the project in 1982 and subsequent years, if legislation is enacted prior to September 10, 1981, deauthorizing of the Oahe water project in South Dakota. S. 670—Public Law 96-355, approved September 24, 1980. (VV)

Target prices for wheat and corn: Amends the Food and Agriculture Act of 1977 to establish the target price for the 1980 crop of corn at $2.35 per bushel and wheat at $3.63 per bushel; provides that the target price for the 1981 crops of corn or wheat be not less than the target prices for the 1980 crops adjusted upward to reflect any change in the cost of production that the Secretary finds necessary to establish and maintain a fair and equitable relationship between loan rates, established prices, and production costs of competing products;

Extends through the 1980 crop year the authority under which disaster payments are made to producers of wheat, feed grains, upland cotton, and rice; places a $10,000 per individual or producer per year limitation on disaster payments:

Authorizes the Secretary of Agriculture to require as a condition of eligibility for price support loans and payments for the 1980 and 1981 crops of wheat, feed grains, upland cotton, and rice that producers not exceed the acreage on the farm normally planted to crops designated by the Secretary, whether or not a set-aside is in effect, but makes loans and payments available to producers of the 1980 crops who exceed their normal acreage based on rates determined under current law; authorizes the Secretary, whenever he requires compliance with the normal crop acreage, to increase the target prices for any of these commodities above what it would otherwise be by the amount he determines appropriate to compensate producers for participating in the program and complying with any required set-aside; and provides that if a target for any commodity is required, the Secretary may increase the target price for any of the other commodities by an amount determined necessary for the effective operation of the program.

H.R. 3398—Public Law 96-213, approved March 18, 1980. (VV)

Walnuts and olives marketing—wheat and feed grains: Provides that marketing orders issued by the Secretary under the Agricultural Marketing Agreement Act respecting walnuts may provide for any form of marketing promotion, including paid advertising; provides that marketing orders respecting walnuts and olives may provide for crediting certain direct expenditures of handlers for promotion of such commodities;

Requires that the wheat, corn, and soybean price support loan levels for the 1981 crop be not less than $3.00, $2.25 and $5.02 per bushel, respectively, which are the current levels; requires the Secretary to announce any set-aside under the feed grain program by November 1 rather than November 15 of each calendar year for the crop harvested in the next calendar year; increases wheat and feed grain support loan levels for the 1980 through 1981 crops to producers who participate in the farmer-held reserve program and requires the Secretary to waive first-year interest charges; provides the Secretary with the flexibility to set the release and call levels for wheat and feed grains at levels he deems appropriate; prohibits the sale of Government-owned wheat and feed grains at less than 105 percent of the call level when a farmer-held reserve program is in effect, but permits the sale of Government-owned corn at the release price or the fuel conversion price, whichever is higher, if the corn is used to produce alcohol for motor fuel; clarifies the Secretary's authority to handle agricultural commodities, other than grain, affected by the suspension of trade with the Soviet Union; authorizes the Secretary, whenever the export of agricultural commodities is suspended or restricted, to carry out a cropland set-aside program and to establish a non-replenishing food security reserve or a nonreplenishing gasohol feed stock reserve, or both; authorizes the establishment of an alcohol processor reserve; requires the Secretary to study the potential for expanding U.S. agricultural exports and using them to obtain needed resources from other countries; requires the Secretary to carry out food bank demonstration projects providing agricultural commodities that might not otherwise be used to aid needy individuals and families; and

Establishes, initially with wheat owned by the Commodity Credit Corporation, a reserve stock of wheat of up to four million metric tons to meet emergency food needs in developing countries. H.R. 3765—Public Law 96-494, approved December 3, 1980. (VV)

Wheat and feed grains: States the sense of the Senate that the Secretary of Agriculture should promptly announce his decision on whether there will be an acreage diversion program in effect for the 1980 crops of wheat and feed grains. S. Res. 366—Senate agreed to February 8, 1980. (VV)

APPROPRIATIONS—FISCAL 1980

Export-Import Bank funds extension: Increases by $525,750,000 the direct loan authority of the Export-Import Bank for fiscal 1980, of which $251 million would be available for direct loans and $274,750,000 for guaranteed loans. H.J. Res. 589—Public Law 96-334, approved August 29, 1980. (VV)

Foreign aid: Appropriates a total of $8,140,502,888 in new budget authority for fiscal 1980 for foreign assistance and related programs;

Contains $3,429,861,018 for multilateral economic assistance which includes funds for the U.S. share to the various international financial institutions and earmarks $8 million for the U.N. Environment Program and $120 million for the U.N. Development Program;

Prohibits funds for the Palestinian Liberation Organization, the Southwest Africa People's Organization, the Zimbabwe African People's Union, the Zimbabwe African National's Union, or Cuba; prohibits payments to the Inter-American Development Bank, International Bank for Reconstruction and Development, International Development Association, and the Asian Development Bank if the compensations of the U.S. director or alternate exceed executive schedule levels IV and V respectively;

Contains $4,146,910,000 for bilateral economic assistance which includes $619,938,000 for agriculture, rural development, and nutrition; $183.6 million for population development; $134.91 million for health development; $40 million for international disaster assistance; $85 million for the Sahel Development Program; $25,676,000 for payment to the Foreign Service retirement and disability fund; $1,882,500,000 for economic support funds of which $785 million is earmarked for Israel and $750 million for Egypt; $5 million for refugee assistance through International Relief Organizations in Rhodesia, and $53.5 million for programs in southern Africa; $21.1 million for peacekeeping operations; $261 million for operating expenses of AID; $48,758,000 for international narcotics control with $16 million earmarked for Colombia for the interdiction of drug traffic; $103 million for the Peace Corps; $456,241,000 for migration and refugee assistance (74 percent of which is for assistance to Boat people fleeing Southeast Asia); and $25 million for the U.S. emergency refugee and migration assistance fund; prohibits the availability of funds to plan for the establishment of the Institute for Scientific and Technological Cooperation; sets a $2.5 million ceiling on administrative funds for the International Development Cooperation Agency;

Contains $815.5 million for military assistance which includes $110.1 million for military grant assistance for the Philippines, Jordan, Spain, and Portugal and to pay administrative costs of the program and the costs of delivering previously MAP-funded material in the pipeline to an additional fifteen friendly countries; earmarks $1.7 million to Sudan, $31.8 million for international military education and training, and $673.5 million for Foreign Military Credit Sales; provides that no less than $1 billion of the yearly aggregate shall be allocated to Israel;

Places a $7,458,241,000 limit on program activity for the Export-Import Bank for fiscal 1980, of which no more than $6 billion shall be for direct loans; limits administrative expenses to $14,129,000;

Prohibits the use of appropriations for international organizations and programs to finance the construction of any new flood control, reclamation, or other related water resources project or program which does not meet certain U.S. standards and criteria; sets a $19 million ceiling on the use of unobligated fiscal 1979 funds for the Magarin Dam and $5 million for programs in Middle East regional cooperation development; prohibits the use of funds: (1) to pay any assessments, arrearages, or dues of any U.N.

member; (2) to finance the export of nuclear equipment, fuel, or technology or to provide assistance for the training of foreign nationals in nuclear fields; (3) to assist any country which represses the legitimate rights of its people in a manner that is contrary to the Universal Declaration of Human Rights; (4) for direct assistance to Mozambique (unless determined advisable by the President), Angola, Cambodia, Laos, Vietnam, or Cuba; (5) to furnish assistance to any country that is in default, for more than one year, in its payment to the U.S. of principle or interest on any loan made under a program funded under this Act; and (6) to any international financial institution whose U.S. representative cannot obtain the amounts and names of borrowers for all loans of that institution or the compensation and related employee benefits, or obtain documents developed by the management of the institution; prohibits the obligation of funds by the Export-Import Bank to any government which grants sanctuary from prosecution to any individual or group which has committed an act of international terrorism, and provides that the President may waive this requirement for national security purposes; states the sense of Congress that the U.S. should generously support relief efforts in Cambodia through the Red Cross, UNICEF, and other international organizations; sets a ceiling on international expenses, representation allowances and official residence expenses for agencies administering programs under this Act; and makes $20 million available for development aid to Uganda. H.R. 4473—Passed House September 6, 1979; Passed Senate amended October 12, 1979; Conference report filed. (352)

FTC: Appropriates $49.7 million for the remainder of fiscal 1980 for the Federal Trade Commission (which, combined with $15.6 million made available by transfer under Public Laws 96-219 and 96-240, provides a total of $65.3 million) and restricts expenses for official reception and representation to $1,500. H.J. Res. 554—Public Law 96-261, approved June 4, 1980. (*171)

FTC funding transfers: Makes available to the Federal Trade Commission, through April 30, 1980, $12.65 million transferred from unobligated funds already appropriated to the salaries and expenses account of the International Communication Agency to continue FTC activities at the 1979 level; directs that obligations of the FTC under this authority shall not exceed $9.8 million to assure that the overall amount of outlays provided for in the existing budget resolution is not increased; provides that these funds shall be available from March 15, 1980, until April 30, 1980, only for Commission expenses occurring during the 45-day period; and maintains the three restrictions on Commission activities included in the previous continuing resolution which: (1) prohibit final promulgation of any trade regulation rules authorized by section 18 of the Federal Trade Commission act, as amended, (2) prohibit the initiation of any new Commission activities, and (3) prohibit any new trade regulation rules promulgated under section 18 of the Federal Trade Commission Act, as amended, after August 30, from becoming effective during 45-day period, unless authorizing legislation is enacted. H.J. Res. 514—Public Law 96-219, approved March 28, 1980. (*65)

Transfers $7.6 million (already appropriated to the Department of State for contribution to international organizations) to the Federal Trade Commission for salaries and expenses through May 31, 1980, with the proviso that obligations may not exceed $5.8 million during this period; provides that these funds shall be available from May 1, 1980, until May 31, 1980, only for Commission expenses occurring during that period; and maintains the three restrictions on Commission activities included in the previous continuing resolution which (1) prohibit final promulgation of any trade regulation rules authorized by section 18 of the Federal Trade Commission Act, as amended, (2) prohibit the initiation of any new Commission activities, and (3) prohibit any new trade regulation rules promulgated under section 18 of the Federal Trade Commission Act, as amended, after August 30, from becoming effective during the 31-day period, unless authorizing legislation is enacted. H.J. Res. 541—Public Law 96-240, approved May 1, 1980. (*91)

Military registration funding transfer: Makes $13,285,000 available by transfer to fiscal 1980 for the Selective Service System to support the reinstitution of peacetime premobilization military draft registration for men. H.J. Res. 521—Public Law 96-282, approved June 27, 1980. (*200)

Supplemental: Makes supplemental appropriations for fiscal 1980 for almost every department and agency of the Federal Government in the amount of $19,444,104,918 comprised in new budget authority with $3,183,572,142 in rescissions for a net appropriation of $16,260,532,776; contains deferrals in the total amount of $522 million; includes $100 million in agricultural credit insurance, $143 million for P.L. 480, $3.580 billion for defense items, $150 million for GNMA tandem plan, $870 million for disaster relief, $951 million for Mount Saint Helens relief, $285 million for the space shuttle, $362 million for education programs, $1.5 billion for Chrysler loan guarantees, $1.177 billion for SBA disaster loans, $330 million for urban mass discretionary grants, and $3.730 billion for increased pay for military and civilian personnel; transfers $18.792 billion from the Energy Security Reserve for synfuel and biomass programs and $1 billion for the Solar Energy Bank; and rescinds $143 million for revenue sharing, $2 billion for the Strategic Petroleum Reserve, and $220 million for GSA furniture; and provides an advance fiscal 1981 appropriation of $591.6 million for rail labor assistance. H.R. 7542—Public Law 96-304, approved July 8, 1980. (*277, *303)

Urgent food stamp supplemental: Appropriates $2,556,174,000 for fiscal 1980 for the Food Stamp Program; requires the Secretary of Agriculture to study and report to Congress by January 15, 1981, on the effects of limiting benefits to food stamp participants based on the value of their assets and on the impact and advisability of counting as income all educational deferred loans, grants, fellowships, veterans' educational benefits and housing subsidies in determining food stamp eligibility; and stipulates a total 1980 appropriation of not more than $9.191 billion. H.J. Res. 545—Public Law 96-243, approved May 16, 1980. (*142, *148)

Urgent VA and Census Bureau supplementals: Appropriates an additional $40 million for fiscal 1980 to the Veterans Administration to cover a shortfall in the readjustment benefit program due to higher than anticipated enrollments of Vietnam-era veterans under the GI bill, thus bringing the total 1980 readjustment benefit appropriation to $2,318,535,000 for the current fiscal year; and appropriates an additional $27 million to the Secretary of Commerce to cover additional expenses under the Census Bureau's "periodic censuses and programs" due to the counting of more households than anticipated in the 1980 Decennial Census and the litigation protesting undercounts that is forcing the Bureau to keep their field offices open longer than anticipated. H.J. Res. 607—Public Law 96-352, approved September 17, 1980. (VV)

APPROPRIATIONS—FISCAL 1981

Agriculture: Appropriates $21,670,409,000 in new budget authority and $1,879,653,000 in transfers, making a total available for Agriculture, Rural Development and Related Agencies of $23,550,062,000 for fiscal 1981; contains $5,290,476,000 for agricultural programs, including $959,777,000 for Science and Education programs which includes agricultural and cooperative research and extension activities; $269,472,000 for animal and plant health inspection and an additional $17,526,000 by transfer; $52,895,000 for agricultural marketing service; and $3,299,887,000 for the Commodity Credit Corporation for reimbursement of loans; contains $1,489,335,000 for rural development programs, including loan authorizations through several revolving loan funds and funding for various rural development grant programs; includes in the conservation area $576,922,000 for the Soil Conservation Service which includes funding for watershed planning and conservation and development as well as the Great Plains Conservation Fund; $245,000,000 for the Agricultural Stabilization and Conservation Service under which the Rural Clean Water, Water Bank, and Emergency Conservation Programs are funded; contains $12,394,876,000 for domestic feeding programs; $9,739,276,000 for food stamps; $927,040,000 for special supplemental food programs; and $118,800,000 for special milk; contains $1,296,297,000 for international programs which includes $1,228,930,000 for Public Law 480, Food for Peace program; and contains $350,923,000 for the Food and Drug Administration and $18,489,000 for the Commodity Futures Trading Commission; prohibits use of funds for expenses of parties intervening in any regulatory proceeding, or acting as witnesses, experts or advisors for any public or private organization before the Department of Agriculture, the Food and Drug Administration, the Commodity Futures Trading Commission, or the Farm Credit Administration; and prohibits use of funds to establish or maintain an Office of Consumer Affairs in the Department of Agriculture. H.R. 7591—Passed House July 30, 1980; Passed Senate amended November 25, 1980; In conference. (*495)

Continuing: Makes continuing appropriations to remain available until December 15, 1980, or enactment of the applicable appropriation bill, whichever occurs first, for programs and activities funded under the 13 major appropriations bill as follows: Agriculture, District of Columbia, HUD, Interior, Labor-HEW, Military Construction, State-Justice-Commerce, Transportation, Treasury-Postal Service, Foreign Assistance, Legislative, Energy-Water, and Defense;

Contains such amounts as mandated by law for: activities under the Federal Mine Health and Safety Act of 1977; the Social Security Act; retirement pay and medical benefits for officers of the Public Health Service; certain activities under the Higher Education Act; activities of the Department of Labor for Federal unemployment benefits, advances to the unemployment trust fund, special benefits, and Black Lung Disability Trust Fund; Veterans' Administration compensation, pensions, and readjustment benefits; and the breeder reactor demonstration project of DOE;

Contains $1.85 billion for the low income energy assistance program; includes, as an eligible household, any single person household at or below 125 percent of the poverty level; makes changes in the allocation formula; provides a $750 limitation on assistance to a single household;

Provides that none of the funds available under H.R. 7998, the Labor, Health and Human Services, Education, and Related Agencies Appropriation Act, 1981, as passed by the House on August 27, 1980, shall be used to prevent the implementation of programs of voluntary prayer and meditation in public schools, or to perform abortions except where the life of the mother would be

endangered if the fetus were carried to term or except for the victims of rape or incest which have been promptly reported; nor are payments prohibited for drugs or devices to prevent implantation of the fertilized ovum, or for medical procedures necessary to terminate an ectopic pregnancy; provides that States shall remain free not to fund abortions to the extent they deem appropriate;

Freezes the rate of pay of senior executive personnel in the judicial, executive, and legislative branches; provides that the cost-of-living adjustment provided for blue collar workers not exceed the cost-of-living adjustment provided to white collar workers; authorizes payment of 75 percent of the 9.1 percent cost of living adjustment to Federal blue collar workers on October 1, with the remainder, plus the normal adjustment subject to the pay cap, to be provided on the worker's anniversary date;

Contains $15 million for emergency activities caused by the Mount St. Helens eruption; $42.677 million for preimplementation of standby gasoline rationing plans; $1.383 billion for the Strategic Petroleum Reserve; provides $1.25 billion for the Postal Service and forbids the elimination of Saturday service;

Authorizes the President to order a special census or revised estimate of population of State, county, or local government units which are significantly affected by a major population change due to legal immigrants within six months of a regular census; provides for maintenance of McNeil Island, Washington, by the Bureau of Prisons; and provides funds for a Presidential transition, if necessary. H.J. Res. 610—Public Law 96–369, approved October 1, 1980. (*458)

Defense: Appropriates a total of $160,847,830,000 in new budget authority for fiscal 1981 for the military functions of the Department of Defense; provides $33,163,249,000 for military personnel, including $1.4204 billion for recently authorized increases in military compensation with funding to pay all of the new entitlements contained in the Nunn-Warner amendment to the Armed Forces Personnel Management Act, except for the 10 percent increase in the basic allowance for subsistence, which will be provided for in the 1981 pay supplemental, and the funds for the pilot continuation bonus; $13,887,800,000 for retired military personnel; $51,322,413,000 for operation and maintenance; $35,993,008,000 for procurement, including for the Army: $946.3 million for 569 XMI tanks; for the Navy: $700.9 million for 30 F–14A fighter aircraft, $1.590 billion for 66 F–18 fighter aircraft, $1.0502 billion for a Trident submarine, and $1.6285 billion for 2 CG–47 Aegis cruisers; for the Air Force: $844.9 million for 42 F–15 fighter aircraft, $1.7338 billion for 180 F–16 aircraft, and $550.7 million for 480 air launch cruise missiles; provides $16,855,679,000 for research, development, test and evaluation including $3,248,005,000 for the Army, $5,110,015,000 for the Navy, $7,159,857,000 for the Air Force, and $1,325,702,000 for the Defense Agencies; includes the Maybank language which prohibits the payment of a price differential on defense procurement contracts in labor surplus areas; and includes language prohibiting the use of funds for abortions identical to that contained in Public Law 96–369, the Continuing Appropriations Act for fiscal year 1981. H.R. 8105—Passed House September 16, 1980; passed Senate amended November 21, 1980; in conference. (*483)

District of Columbia: Appropriates $488,488,800 in Federal funds and $1,737,728,300 in District of Columbia funds for the operations and activities of the District of Columbia in fiscal 1981; includes in Federal funds $1,330,100 as reimbursement for expenses related to the upcoming Presidential inauguration; $3,315,000 as reimbursement for judgments and settlements of suits stemming from the mass arrests of demonstrators in May of 1971, $8.1 million as a payment in lieu of reimbursements for water sewer services furnished U.S. Government facilities, and a contribution of $52,070,000 for police officers, firefighters, teachers, and judges retirement funds; makes appropriations available for the payment of public assistance and for the non Federal share of funds necessary to qualify for Federal assistance under the Juvenile Delinquency Prevention and Control Act of 1968; sets a ceiling of not to exceed 4½ percent of the total funds appropriated for personal compensation on overtime or temporary positions; prohibits use of funds to compensate any person appointed as a full-time employee to a permanent authorized position in the D.C. government during any month when the number of employees is greater than 35,037; prohibits the use of funds for further partisan political activities; requires transmission of the fiscal 1982 D.C. budget by February 1, 1981; and prohibits use of funds for publicity or propaganda purposes to implement any policy, including a boycott designed to support or defeat legislation pending before Congress or any State legislature. H.R. 8061—Passed House September 3, 1980; Passed Senate amended November 17, 1980; House agreed to Conference report December 2, 1980. (*470)

Energy-Water: Appropriates a total of $12,064,270,163 in new budget authority for energy and water development for fiscal 1981 of which $7,220,572,500 is for energy related programs; $2,984,134,000 for the Corps of Engineers—Civil programs including $212,000,000 for the Tennessee-Tombigbee Project with a completion date of September 1986; $771,461,000 for the Department of Interior, Bureau of Reclamation; and $1,104,604,000 for independent agencies including $329,300,000 for Appalachian Regional Development programs; $447,520,000 for the Nuclear Regulatory Commission; $269,563,000 for the Tennessee Valley Authority Fund; $18,000,000 for Columbia Dam and Reservoir; $24,777,000 for Water Resources Planning; includes the fraud and waste provisions that were in the fiscal 1980 Supplemental Appropriation bill, P.L. 96–304, and adds to these provisions placing limitations on last-quarter spending and on expenditures for consultants; and provides $60,663 for payments to the widow of a deceased member of Congress. H.R. 7590—Public Law 96–367, approved October 1, 1980. (*398)

HUD: Appropriates a total of $74,126,287,000 in new budget authority for the Department of Housing and Urban Development, Environmental Protection Agency, National Aeronautics and Space Administration, National Science Foundation, Veterans' Administration, and 16 other agencies, commissions, boards, corporations, institutes and offices for fiscal 1981. H.R. 7631—Public Law 96– , approved 1980. (*438)

Interior: Appropriates a total of $9,466,787,000 in new budget authority for fiscal 1981 for the Department of Interior and related agencies of which $4,092,846,000 is for the Department of Interior, including $378.593 million for the Land and Water Conservation Fund, $107.001 million for the National Petroleum Reserve in Alaska, $1,099,046,000 for the Bureau of Indian Affairs, with an $81.5 million unbudgeted appropriation for Indian land claims in Maine; $60 million for the Youth Conservation Corps; contains $1,461,204,000 for the Forest Service, $678.801 million for Indian Health services; and contains $2,605,888,000 for the Department of Energy; authorizes the Secretaries of Agriculture and Energy to leverage their loan guarantee appropriations for biomass energy projects at a 3 to 1 ratio, rather than the current dollar-for-dollar reserve requirement; provides that the annual average daily rate of fill for Strategic Petroleum Reserve shall be no less than 300,000 barrels per day; and appropriates $163.253 million for the Smithsonian Institution, and $309,859 million for the National Foundation on the Arts and Humanities. H.R. 7725—Public Law 96– , approved 1980. (*469)

Military construction: Appropriates $5,098,680,000 in new budget authority for fiscal 1981 for military construction functions administered by the Department of Defense as follows: $857.838 million for the Army, $775.273 million for the Navy, $861.125 million for the Air Force, $245.6 million for the Defense Agencies, $42.269 million for the Army National Guard, $83.2 million for the Air National Guard, $46.942 million for the Army Reserve, $33 million for the Naval Reserve, $21.6 million for the Air Force Reserve, and $1,881,837,000 for defense family housing; contains $250 million for the U.S. share of the NATO infrastructure program; includes $17 million for MX test facilities at Vandenberg Air Force Base and requires compliance with the National Environmental Policy Act prior to obligation of funds for the design of site-specific facilities; includes $75.5 million for the Space Shuttle at Vandenberg Air Force Base; and provides $3.15 million start construction of a binary chemical munitions production facility at Pine Bluff Arsenal, Arkansas. H.R. 7592—Public Law 96–436, approved October 13, 1980. (*420)

State-Justice-Commerce: Appropriates a total of $9,131,056,000 in new budget authority for the Departments of State, Justice, and Commerce, and the Judiciary and Related Agencies for fiscal 1981, as follows: (1) $1,564,708,000 for the Department of State including funds for Buying Power Maintenance, the 1981 assessment of the International Labor Organization, and $4.1 million for the Asia Foundation; (2) $2,217,247,000 for the Department of Justice, including funds for the State and local drug task forces, $629,720,000 for the FBI, and a total of $146,845,000 for the Office of Justice Assistance, Research and Statistics which replaces the former Law Enforcement Assistance Administration, with the full $100 million requested for the juvenile justice and delinquency prevention program; prohibits the Department of Justice from bringing any sort of action to require directly or indirectly busing to any school other than the school nearest home, except for handicapped students; prohibits the Legal Services Corporation (LSC) from providing legal assistance in cases that "seek to adjudicate the legalization of homosexuality." (3) $2,442,170,000 for the Department of Commerce, including $624,650,000 for the Economic Development Administration, and $43,838,000 for regional development programs; provides $25,705,000 for public telecommunications facilities, planning, and construction grants; continues the U.S. Travel Service at the current rate; (4) $631,140,000 for the Judiciary; and (5) $2,275,764,000 for 20 related agencies, including $1 million to establish the Commission on Wartime Relocation and Internment of Civilians, and $321.3 million for the Legal Services Corporation; provides the full program budgeted by the Small Business Administration, with $22.5 million for development company direct loans, $30 million for energy direct loans, and $42 million for investment company assistance direct loans; imposes a $33 million ceiling on certain guarantee loan programs with SBA; and allows SBA to issue up to $250 million in guarantee rates under a new small business development program. H.R. 7584—Public Law 96– approved 1980. (*471)

Transportation: Appropriates a total of $11,991,261,764 in new budget authority for fiscal 1981 for the Department of Transpor-

tation and related agencies; includes $1,192,878,0000 net for operating expenses of the Coast Guard, $2,233,520,000 for operations of the FAA, $900 million for Amtrak, $2.19 billion for the urban discretionary grant program of the Urban Mass Transportation Administration (UMTA), $1,455 billion for the urban formula grant program of UMTA, $800 million for interstate transfer grants, $350 million for the Northeast Corridor improvement project, and $185 million for the purchase of securities of Conrail; provides for obligations of not to exceed $700 million for grants-in-aid for airports, $400 million for aircraft loan guarantees, and $8.75 billion for Federal-aid Highways; limits loan guarantees to $770 million for railroad rehabilitation and improvement; contains new limitations including for the FAA aircraft purchase loan guarantee program, $100 million for commuter air carriers serving smaller communities; for the Federal Railroad Administration, $100 million for railroad restructuring assistance and $20 million for programs making commitments to guarantee new loans; for reimbursement to the Treasury from the Panama Canal Commission Fund, all outlays from the Commission Operating Expense Account and Capital Outlay Account, but not less than $350 million; for investment in fund anticipation notes, $100 million; prohibits use of funds for: the extension of the Dulles Airport access highway until the State of Virginia agrees to take responsibility for its operation; the implementation of any regulations which have been disapproved of by a resolution of disapproval; buildings or furnishings for State, local, or private structures under State and Community Highway Safety; for payment of expenses of non-Federal parties intervening in proceedings funded by this Act; and for imposing State inspection fees or sticker requirements on vehicles lawfully registered in another State; prohibits the obligation from the total budget authority available to any department, agency, establishment, or major administrative subdivision, of funds exceeding 30 percent for the last quarter of fiscal 1981, or 15 percent in any month in the last quarter; requires the resolution of all pending audits by September 30, 1981, and of subsequent audits within six months of completion of the initial audit report; requires each agency to improve collection of overdue debts; reduces by $3,894,000 the amounts for consultant services of DOT; prohibits the use of funds to compel local transit authorities to purchase wheelchair lifts; reduces appropriations for advertising or public relations activities by ten percent; and prohibits funds to mandate any reduction in the number of certified air carrier slots per hour at Washington National Airport below the number authorized on September 12, 1980, until April 26, 1981. H.R. 7831—Public Law 96-400, approved October 9, 1980. (*425, *459)

BUDGET DEFERRALS

Cumberland Gap Tunnel project: Disapproves the proposed deferral of $15.5 million for construction of the Cumberland Gap Tunnel Project as recommended by the President in his message of April 16, 1980. S. Rev. 464—Senate agreed to August 1, 1980. (VV)

Environmental Protection Agency: Disapproves the proposed deferral of $3,247,948,114 for EPA waste water treatment grants as recommended by the President in his message of April 16, 1980, and in his revision of May 20, 1980. S. Res. 470—Senate agreed to August 1, 1980. (VV)

Young Adult Conservation Corps.: Disapproves the $27.5 million deferral recommended by the President in his message of April 16, 1980, for the Young Adult Conservation Corps thereby preventing a 40-percent cutback in enrollees in favor of a more gradual reduction. S. Res. 449—Senate agreed to June 30, 1980. (VV)

BUDGET RECONCILIATION

Reconciliation—Spending, and revenue: Makes program changes to accomplish reductions of $4.6 billion in outlays, and increases of $3.6 billion in revenues, for a total deficit reduction for fiscal 1981 of $8.2 billion.

Spending provisions: Makes program changes in school lunch and child nutrition programs to achieve a one-year saving of $400 million and permanent savings of $100 million in BA and outlays; extends to fiscal 1984 the authorization for child nutrition programs and for the WIC and commodity purchase programs; permits the IRS to provide the current mailing address of student loan defaulters to the holders of loans in default; makes changes in civil service retirement; reduces the postal public services cost appropriation by $250 million; reduces third-class non-profit mail subsidies by $50 million; and shifts the $111 million postal "reconciliation appropriation" from fiscal 1981 to fiscal 1982; reduces the authorization for the National Highway Safety Administration by $12.8 million; limits the authorization for fiscal 1981 for airport development, planning, and noise compatibility programs to $725 million.

Provides for a one-time deferral during the last month for fiscal 1981 of advance medicare payments to hospitals; allows medicare to pay claims based on the date the service is rendered by the physician, not the date the physician submits the claim; provides that medicare would not be payor of first resort where care can be paid for by other liability insurance; allows medicare to reimburse hospitals at the lower long-term care rate rather than the in-patient rate if the patient is simply in the hospital waiting to move to a nursing home; includes new benefits such as expanded home health services, improved dental benefits, out-patient physical therapy, and funding for state medicaid fraud control units; provides that Federal standards for child day care services would not be applicable to services meeting applicable State and local standards to October 1, 1981, if the services; limits retroactive social security benefits to a period of 6 months prior to the month in which application for benefits is made; terminates Federal reimbursement to States for unemployment compensation benefits paid to former CETA workers; eliminates the 50 percent Federal share of the cost of the first week of extended benefits in any State which does not have a waiting week or has a waiting week for which benefits are paid retroactively; gives States additional time to enable their legislatures to establish a waiting week or eliminate retroactive payment; denies, effective with weeks of unemployment beginning March 31, 1980, extended benefits to an individual (1) who under State law was disqualified because he or she voluntarily left a job, was discharged for misconduct, or refused suitable employment; and (2) who failed to accept any work that is offered in writing or listed with the State employment service, or failed to apply for any work referred by the State agency which meets certain specified requirements; requires the Secretary of Labor to withhold certification unemployment compensation programs for any State which has failed to amend its laws to comply with these provisions;

Revenue provisions: Preserves the tax-exempt status of mortgage revenue bonds under certain restrictive conditions; rescinds the tax-exempt status on single-family housing bonds after 1983; prohibits advance refunding; and requires that all bonds be registered beginning in 1982; requires that most of the proceeds from Veterans mortgage bonds be used to provide residences for veterans and that they be used primarily for new mortgages; requires that principal and interest of bonds be secured by the general obligations of a State; requires that 20 per cent of all units in projects financed by multi-family rental housing bonds be occupied by low- or moderate-income families and that 15 percent of all such units be so occupied in targeted areas; requires corporations, whose taxable income exceeded $1 millilion in any of the three preceding taxable years, to pay estimated tax on at least 60 percent of the current year's tax liability;

Subjects nonresident aliens and foreign corporations to tax on all gains and losses from the disposition of their U.S. real property interests; allows foreign investors to deduct certain losses attributable to U.S. real property; imposes a minimum rate tax at a rate of 20 percent of property gains for individuals; makes domestic corporations, partnerships, or trusts, accountable as real property holding organizations (RPHOs) if the fair market value or their U.S. real property interests is at least 50 percent of the sum of the value of their U.S. real property interests, interests in foreign real property, and other assets used in trade or business; requires that certain tax returns contain specified information including the name and address of foreign owners; provides certain royalty owners with a credit of up to $1,000 against the windfall profit tax imposed on the removal of their royalty oil during calendar year 1980; and requires that in calculating the amount of the deduction, net income for percentage depletion purposes, and oil related income for the minimum tax on intangible drilling costs, the gross amount of windfall profit tax paid or withheld during the taxable year must be reduced by the amount of the allowable credit; requires individuals, except domestic employees and agricultural laborers, to include in their gross income, social security and Federal unemployment taxes paid by the employer, and benefits received from the social security trust fund; delays for one year, until January 1, 1983, the reduction in and expiration of the excise tax on communications services; and imposes an additional duty on imports of ethyl alcohol used for a fuel of 10 cents per gallon in calendar year 1981, 20 cents in 1982, and 40 cents in 1983 through 1992.

BUDGET RESOLUTIONS

First budget resolution, 1981; revised second budget resolution, 1980: Contains total budget authority for fiscal 1981 of $697.2 billion, outlays of $613.6 billion, and revenues of $613.8 billion, with a surplus of $200 million, and a public debt level of $935.1 billion.

Invokes the reconciliation process, under which eight House and nine Senate authorizing committees are instructed to reduce total spending authority within their jurisdictions, in order for each house to achieve a savings of $4.95 billion in budget authority and $6.4 billion in outlays in fiscal 1981; instructs the specified committees to make the following reductions and submit their recommendations to their respective budget committees (Senate committees must submit spending reductions by June 25 and revenue reductions by July 2; House committees must submit both spending and revenue reductions by July 2) which shall report to their respective houses a reconciliation bill or resolution, or both, carrying out all the recommendations, without any substantive revision:

The Senate Governmental Affairs Committee would reduce budget authority and outlays by $500 million each;

The Armed Services Committees would reduce budget authority and outlays by $400 million each;

The Senate Environment Committee would reduce budget authority by $300 million and the House Public Works Committee would reduce budget authority by $600 million and outlays by $750 million;

The Senate Labor Committee would reduce budget authority by $300 million and outlays by $450 million and the House Education and Labor Committee would reduce budget authority and outlays by $850 million each;

The Senate Commerce Committee would reduce budget authority by $300 million and outlays by $150 million and the House Interstate and Foreign Commerce Committee would reduce budget authority by $200 million and outlays by $400 million;

The Senate Agriculture Committee would reduce budget authority and outlays by $500 million each;

The Senate Veterans' Affairs Committee would reduce budget authority by $200 million and outlays by $400 million and the House Veterans' Affairs Committee would reduce budget authority and outlays by $400 million each;

The Senate Finance Committee would reduce budget authority by $900 million and outlays by $2.2 billion and the House Ways and Means Committee would reduce budget authority by $700 million and outlays by $2 billion; both committees are instructed to increase revenues by $4.2 billion each;

The Senate Select Committee on Small Business and the House Committee on Small Business would each reduce budget authority by $800 million and outlays by $600 million,

The House Post Office Committee would reduce budget authority and outlays by $1 billion each;

States the sense of the Congress that the President should direct agencies not to increase the rate of obligation of fiscal 1980 budget authority in advance of anticipated rescission actions;

Includes a reconciliation directive in fiscal 1980 to the House and Senate Appropriations Committees each to report savings of $3 billion in budget authority and $1 billion in outlays;

Prohibits enrollment of any spending legislation in fiscal 1981 (appropriations and entitlement) which exceeds a committee's crosswalk allocation or subcommittee subdivision under the 1st Budget Resolution or which would reduce revenues in excess of $100 million until Congress has adopted the Second Budget Resolution and any required reconciliation legislation; requires, for this year only, completion of the Second Budget Resolution by August 28 instead of September 15;

Establishes a Congressional Federal Credit Budget to limit total new Federal credit programs in fiscal 1981 for new direct loan obligations to a level of $63.9 billion (a $25.8 billion limitation on Federal off-budget lending activity and a $38.1 billion limitation on Federal on-budget lending activity) and for new primary loan guarantee commitments to $79.6 billion; includes sense of the Congress language which encourages the President and the Congress, through the appropriations process, to maintain these limits on lending and new primary loan guarantees in fiscal 1981;

Calls on the President to implement a "zero net inflation impact" policy which requires the Congressional Budget Office to monitor the inflationary impact of new Federal regulations; prohibits new regulations which increase costs or prices unless corresponding reductions are made by modifying or eliminating regulations; and requires development of an exemption procedure for regulations necessary to avert any imminent threat to health and safety; calls upon the President to review current inflation measures used for indexing Federal programs as well as other indexing alternatives, and report to Congress by November 30, 1980, his conclusions and recommendations and to reflect those conclusions in his budget and legislative proposals for 1982;

Makes the following recommendations for budget authority (BA) and Outlays (O) by function for fiscal 1981:

National Defense—BA, $170.5 billion; O, $153.7:

International Affairs—BA, $23.6 billion; O, $9.5 billion;

General science, space and technology—BA, $6.6 billion; O, $6.1 billion;

Energy—BA, $6.7 billion; O, $6.8 billion;

Natural Resources and Environment—BA, $11.7 billion; O, $12.1 billion;

Agriculture—BA, $5.5 billion; O, $2.3 billion;

Commerce and Housing Credit—BA, $5.1 billion;

Transportation—BA, $22.1 billion; O, $18.75 billion;

Community and Regional Development—BA, $8.8 billion; O, $9.2 billion;

Education, Training, Employment, and Social Services—BA, $31.7 billion; O, $29.5 billion;

Health—BA, $71.2 billion; O, $61.7 billion;

Income Security—BA, $249.5 billion; O, $219.55 billion;

Veterans' Benefits and Services—BA $21.7 billion; O, $21.2 billion;

Administration of Justice—BA, $4.2 billion; O, $4.6 billion;

General Purpose Fiscal Assistance—BA, $6.2 billion; O, $6.8 billion.

Undistributed Offsetting Receipts—BA, —$24.7 billion; O, —$24.7 billion.

Modifies the fiscal 1980 Second Concurrent Budget Resolution to provide for budget authority of $658.85 billion, outlays of $572.65 billion, and revenues of $525.7 billion, with a deficit of $46.95 billion and a public debt level of $903.6 billion;

Includes Senate projected estimates for fiscal 1982 and 1983, respectively, as follows: Budget Authority—$775.0 billion and $851.6 billion, Outlays—$695.6 billion and $765.5 billion, Revenues—$701.4 billion and $783 billion, and a surplus of $5.8 billion and $17.5 billion, with a Public Debt Limit of $965.6 billion and $991.1 billion. H. Con. Res. 307—Action completed June 12, 1980. (*134)

Second budget resolution, 1981: Modifies the fiscal 1981 First Concurrent Budget Resolution to provide for budget authority of $694.6 billion, outlays of $632.4 billion, and revenues of $605 billion which includes provision for a net tax reduction of $10 billion in 1981, with a deficit of $27.4 billion and a public debt level of $978.6 billion; revises the Congressional Federal Credit Budget established under the First Concurrent Resolution to limit total new Federal credit programs in fiscal 1981 for new direct loan obligations to a level of $73.5 billion (a $28.9 billion limitation on Federal off-budget lending activity and a $44.6 billion limitation on Federal on-budget lending activity) for new primary loan guarantee commitments to $82.8 billion, and for secondary loan guarantee commitments to $53 billion; includes sense of the Congress language which encourages the President and Congress, through the appropriations process, to maintain these limits on lending and new primary loan guarantees in fiscal 1981; recommends that a review of the budget act and the congressional budget process should be undertaken without delay; bars congressional consideration of a resolution providing for the adjournment sine die of either House unless action has been completed on H.R. 7765, the Omnibus Reconciliation Act; states the sense of Congress that the President should implement a zero net inflation impact policy for regulations promulgated in the remainder of fiscal 1981 and develop an accounting of the cost and economic impact of these regulations; and directs CBO to report periodically on the cost and positive or negative inflationary effects of legislation reported and enacted by Congress.

Makes the following recommendations for Budget Authority (BA) and Outlays (O) for fiscal 1981 by function (in billions of dollars):

National defense—BA, $172.7; O, $159.05;

International Affairs—BA, $23.85; O, $10.05;

General science, space, and technology—BA, $6.4; O, $6.1;

Energy—BA, $5.85; O, $7.8;

Natural resources and environment—BA, $11.9; O, $13.1;

Agriculture—BA, $5.35; O, $2.1;

Commerce and housing credit—BA, $5.25; O, $0.95;

Transportation—BA, $21.3; O, $19.7;

Community and regional development—BA, $9.25; O, $10.45;

Education, training, employment and social services—BA, $31.6; O, $29.8;

Health—BA, $68.55; O, $63.15;

Income Security—BA, $248.8; O, $225.55;

Veterans' benefits services—BA, $22.1; O, $21.07;

Administration of justice—BA, $4.1; O, $4.45;

General government—BA, $4.6; O, $4.4;

General purpose fiscal assistance—BA, $6.5; O, $7.05;

Interest—BA, $71.9; O, $71.9;

Allowances—BA, $0.4: O, $0.45; and

Undistributed offsetting receipts—BA, —$25.8; O, —$25.8. H. Con. Res. 448—Action completed November 20, 1980. (*475, *478)?

Roth budget resolution: Expresses the sense of the Senate that the Budget Committee shall report a Federal budget for fiscal 1981 which is balanced and which reserves any surplus for a tax reduction (one-half to increase productivity and one-half to offset social security tax increases), and that the Budget Committee shall also report such additional specific reductions, if any, necessary to reduce Federal outlays for fiscal 1981 to 21 percent of the gross national product. S. Res. 380—Senate agreed to March 25, 1980. (*64)

DEFENSE-NATIONAL SECURITY

Armed Forces enlistments of citizens of Northern Marianas: Permits citizens of the Northern Mariana Islands, who indicate in writing an intent to become a U.S. citizen, to enlist in the Armed Forces of the United States. H.R. 4627—Public Law 96-351, approved September 15, 1980. (VV)

Armed Forces personnel management: Extends for two years, through fiscal 1982, the authorization of an increase in the number of Air Force colonels and lieutenant colonels currently authorized by Public Law 95-377, which expires on September 30, 1979; authorizes reserve enlisted members of the Army and Air Force to retire on completion of 20 years of active service with an immediate annuity; removes the Office of the Chief of Chaplains from the cognizance of the Chief of Naval Personnel and establishes a statutory office of Deputy Chief of Chaplains; authorizes advance pay on establishment of an allotment for dependents if the allotment is made within 60 days before a unit deploys, authorizes reserve officers of the Army and Air Force who served on active duty in positions designated by the President to carry the grade of lieutenant general and general to be retired in such grade; increases aviation career incentive flight pay by 25 percent; makes effective immediately the increase in the rates of sea pay that would have become effective October 1, 1981, and increases those rates by 15 percent; removes the current statutory limit of ten cents per mile for reimbursement for travel in connection with a permanent change of station; increases the Basic Allowance for Subsistence by ten percent; provides the authority to pay a variable Housing Allowance for members living in any high cost area of the U.S. except Hawaii and Alas-

ka, equal to the difference between 115 percent of a member's Basic Allowance for Quarters and the average cost of housing in the area in which the member was assigned; contains a "save pay" provision for enlisted members appointed as warrant officers or as commissioned officers and for warrant officers appointed as commissioned officers to insure they would receive at least as much pay as they would have received if not so appointed; and establishes in statute the Office of Deputy Judge Advocate General of the Air Force. H.R. 5168—Public Law 96-343, approved September 8, 1980. (VV)

Coast Guard authority to establish lines of demarcation: Provides the Coast Guard with clear authority to establish two separate sets of boundary lines dividing the high seas and inland waters: the first dividing those waters where the international rules of the road and the inland rules apply and the second dividing those area governed by various marine safety statutes; places a 12-mile limit on the distance from shore that the boundary lines may be established so that the intent of Congress in enacting more stringent safety standards for vessels on the high seas cannot be defeated by drawing the lines too far out to sea; and contains a conforming amendment to the Seagoing Barge Act, changing the definition of "seagoing barge" to mean that proceeds outside the boundary line authorized by this bill so that drilling and dredging barges that normally operate within safe and reasonable distances offshore will not be subject to the requirements for seagoing barges. H.R. 1198—Public Law 96-324, approved August 8, 1980. (VV)

Coast Guard authorization: Authorizes $763,887,000 for fiscal 1981 for the operation and maintenance of the Coast Guard of which $1,248,367,000 is for operating expenses including expenses related to the Capehart housing debt reduction: $469,320,000 for acquisition, construction, and improvement of vessels, aircraft, shore units and aids to navigation: $16,200,000 for alteration or removal of bridges; and $30,000,000 for research, development, test, and evaluation; sets the end-of-year strength for active duty personnel at 39,600; authorizes the average military training loads; authorizes advancement of housing leases in foreign countries when required to obtain a lease; authorizes the Coast Guard Supply Fund to accept transfers of spare parts obtained as part of a procurement under a different account of major items such as vessels or aircraft; ensures that Coast Guard members who accept appointments to temporary commissioned or warrant grades do not receive less pay or allowances; authorizes the Secretary of Transportation to pay Coast Guard personnel a monetary allowance in lieu of furnishing transportation of household effects in kind; authorizes the Coast Guard to recover expenses on a reimbursable basis for certain marine safety inspections requested in foreign ports; changes the date of "National Safe Boating Week" to the week beginning on the first Sunday in June; authorizes the transport, by water, of Coast Guard personnel to and from their place of employment when necessary; requires the Coast Guard to submit to Congress with its annual budget request the current copy of its Capital Investment, Cutter, Aviation, and Shore Facilities Plans to allow Congress to evaluate the adequacy of the budget requests; and contains a supplemental authorization of $33 million for fiscal 1980 of which $15 million is for operating expenses to cover increased fuel costs and $18 million is for the Cuban refugee operation. S. 2489—Public Law 96-376, approved October 3, 1980. (VV)

Coast Guard enforcement of drug laws: Broadens certain prohibitions regarding the importation of controlled substances to facilitate Coast Guard enforcement of laws relating to the importation of illegal drugs; prohibits the manufacture, distribution, or possession (with intent to manufacture or distribute) of a controlled substance by (1) any person on board a U.S. vessel, (2) any U.S. citizen on board a vessel, (3) any person on board any vessel within U.S. customs waters, or (4) any person who knowingly or intentionally imports such a substance into the U.S. unlawfully; exempts from the prohibition those persons on a contract or common carrier or U.S. government vessel who possess or distribute controlled substances as part of their lawful duties; makes clear that the bill is intended to address acts committed outside the territorial jurisdiction of the U.S.; imposes penalties for violations of up to 15 years imprisonment and/or a fine of up to $25,000 for a first offense and up to 30 years imprisonment and/or a fine of up to $50,000 for a second or subsequent offense; imposes lesser penalties in cases where narcotic drugs are not involved; provides that any person who violates the act will be tried in a U.S. district court where he or she entered the United States or in the United States District Court for the District of Columbia; and makes certain property used or intended for use in distribution of a controlled substance subject to seizure and forfeiture. H.R. 2538—Public Law 96-350, approved September 15, 1980. (VV)

Coast Guard Reserve: Revises Chapter 21, U.S.C. governing the organization and administration of the Coast Guard Reserve, by eliminating inconsistencies and defects in present law, rearranging the sections in a more logical order, simplifying the language, eliminating outdated provisions, and correcting statutory references; and makes several minor substantive changes in existing law regarding Coast Guard Reserve officer promotion and retention. H.R. 6666—Public Law 96-322, approved August 4, 1980. (VV)

Defense officer personnel management: Provides for new permanent grade limitations for each of the services for the grades O-4, O-5 and O-6; makes reductions of approximately five percent from the levels in the proposal submitted by the Department of Defense; requires a five-year officer promotion plan to be submitted by February 15 of each year; provides for a single permanent promotion structure for each of the services, replacing the dual temporary and permanent promotion systems presently used in the Army and Air Force, and eliminating running-mate system in the Navy; provides sufficient flexibility that after a certain number of years of commissioned service all career-force active-duty officers could become regular officers; establishes standardized career patterns of 30 years for colonel or Navy captain, 28 years for lieutenant colonel or commander, and 20 years for major or lieutenant commander; and provides selective early retirement procedures for these grades; abolishes separate promotion procedures for women officers and provides that promotion laws be applied equally to male and female officers; abolishes statutory authority for a separate Women's Army Corps (WAC) and comparable organizational entities; retains provisions that preclude assigning women to duty on vessels or aircraft engaged in combat; requires a positive selection from the grade of O-7 to O-8 in the Navy and creates a new title of commodore admiral for the Navy O-7 grade; provides new procedures for application of "constructive service credit", used to determine initial entry grade, seniority and promotion eligibility, to officers with advanced education beyond the baccalaureate level when the advanced training is a prerequisite for appointment as a commissioned officer; makes special provisions for determining the constructive credit for health professions; provides for uniform exclusions from the limitations of the grade tables for all services for Selective Service officers, physicians and dentists, warrant officers, retired officers recalled to active duty for 180 days or less, general and flag officers, reserve officers on active duty and selected reserves on active duty; provides for the payment of separation pay equal to ten percent of annual basic pay times years of service up to a maximum of $30,000 for commissioned officers involuntarily separated before qualifying for retirement. S. 1918—Public Law 96- , approved 1980. (448)

Defense production extensions: Extends for 60 days, until March 28, 1980, the Defense Production Authorization Act of 1950 which expires on January 28, 1980, in order to give Congress sufficient time to complete action on S. 932, the authorization for fiscal 1980 and 1981. H.J. Res. 478—Public Law 96-188, approved January 28, 1980. Note: (Provisions extending the Defense Production Act through fiscal 1981 are contained in S. 932, the Synfuels—Energy Conservation and Development Act, which became Public Law 96-294.) (VV)

Extends for 60 days, until May 27, 1980, the Defense Production Authorization Act of 1950 which expires on March 28, 1980, in order to give Congress sufficient time to complete action on S. 932, the authorization for fiscal 1980 and 1981. H.J. Res. 520—Public Law 96-225, approved April 3, 1980. (VV)

Extends for three months, until August 27, 1980, the Defense Production Authorization Act of 1950 which expires on May 27, 1980, in order to give Congress sufficient time to complete action on S. 932, the authorization for fiscal 1980 and 1981. S.J. Res. 175—Public Law 96-250, approved May 26, 1980. (VV)

Intelligence activities authorization—Intelligence oversight: Authorizes such amounts as specified in a classified report for fiscal 1981 for intelligence activities of the United States Government, including specific amounts for the Central Intelligence Agency (CIA), DOD, Defense Intelligence Agency, National Security Agency (NSA), military services, Departments of State, Treasury, and Energy, Federal Bureau of Investigation, and the Drug Enforcement Administration; authorizes an additional amount of $11.4 million for the FBI to counter terrorism in the U.S.; authorizes $17.8 million for the Intelligence Community Staff which provides support and assistance to the Director of Central Intelligence in fulfilling his responsibilities for management and direction of the intelligence community; set at 245 the end strength of full-time employees for the intelligence community staff and provides that any employee detailed to the staff from another entity shall be on a reimbursable basis except for those temporarily detailed on a non-reimbursable basis for a period of not less than one year as required by the Director of Intelligence; authorizes $55.3 million for the CIA Retirement and Disability Fund; authorizes the use of funds appropriated to the Department of Defense (DOD) to pay expenses of arrangements with foreign countries for cryptologic support; provides certain NSA administrative authorities including the authority for the director to rent or lease facilities overseas for special cryptologic activities and for housing personnel; authorizes the GSA Administrator to provide police protection for certain NSA installations in the same manner as Federal Protective Service police protect Federal buildings under GSA control; authorizes payment of a death gratuity to survivors of CIA and NSA employees who die as a result of injuries sustained outside the U.S. when the death was a direct result of a hostile or terrorist act or occurred in connection with an intelligence activity having a substantial element of risk, and to survivors of DOD officers or employees or members of the

Armed Forces serving undercover in an intelligence component of DOD or in clandestine activities involving an element of risk; authorizes the Director of Central Intelligence to accept gifts, bequests, and property on behalf of the agency whenever he determines it to be in the U.S. interest; authorizes the Director to grant monetary or other relief to current or former CIA employees whenever he determines that the individual's career had suffered due to unjustified personnel or administrative action and limits this authority to those cases resulting from allegations of the individual's loyalty to the United States; authorizes a new degree of Master of Science in Strategic Intelligence (MSSI) by the Defense Intelligence School;

Requires the Director of Central Intelligence and the heads of all departments, agencies, and other entities involved in intelligence activities to inform the Senate Select Committee on Intelligence and the House Permanent Select Committee on Intelligence (instead of the eight committees presently responsible for oversight) of all current U.S. intelligence activities including any significant anticipated intelligence activities; specifies that such notification shall not be construed as to require the approval of the intelligence committees prior to the initiation of an intelligence activity; allows the President to limit notice to the chairman and ranking minority members of the Select Committees, the speaker and minority leader of the House, and the majority and minority leaders of the Senate if he determines that this is necessary to meet extraordinary circumstances affecting vital interest; requires the various intelligence groups to furnish any information or material requested by the commitees; requires intelligence groups to report in a timely fashion to the Select Committees any illegal intelligence activity or significant intelligence failure and any corrective action that has been planned or taken; requires the President to inform the Select Committees fully of intelligence operations in foreign countries, other than activities intended solely for obtaining necessary intelligence, for which prior notice was not given, and to provide a statement of the reasons for not giving prior notice; and requires the House and Senate, in consultation with the Director of Central Intelligence, to establish by rule or resolution, procedures to protect against unauthorized disclosure of classified information provided to Congress. S. 2597—Public Law 96-450, approved October 14, 1980. (*172)

Michigan, land transfer: Lance Army Missile plant. Authorizes the Secretary of the Army to convey to the Michigan Job Development Authority (a public corporation of the State of Michigan) in order that they may transfer ownership to Volkswagen of America for conversion to car manufacturing plant the lands and improvements comprising the Michigan Army Missile Plant at Sterling Heights, Michigan, in return for: (1) two new office buildings at the Detroit Arsenal in Warren, Michigan, and (2) reimbursement for all costs associated with the conveyance; requires the Authority, if the appraised value of the plant is greater than that of the two new office buildings, to pay the difference in cash for deposit in the U.S. Treasury; and requires that a report on the details of the proposed exchange agreement be submitted to the appropriate Congressional committee before the conveyance is made. H.R. 6464—Public Law 96-238, approved April 24, 1980. (VV)

Military construction authorization: Authorizes $5,530,004,000 for fiscal 1980 construction and related authority for the military departments and the Office of the Secretary of Defense, within and outside the United States; includes $879,500,000 for the Army, $989,692,000 for the Navy, $716,342,000 for the Air Force, $2,156,860,000 for military family housing, $200,000,000 for the reserve forces, and $587,610,000 for the defense agencies, including $300 million for the NATO infrastructure program and $150,000,000 for basing facilities to expand the U.S. military presence in the Mideast and the Indian Ocean area; continues emphasis on efforts to seek alternative energy sources to oil and gas including solar and coal; restates the provision contained in the fiscal 1979 Military Construction bill regarding solar energy to make clear Congressional intent that DOD consider solar systems under cost-effectiveness criteria and that DOE's life cycle cost and procedures as outlined in the Federal Register for January 23, 1980, do not apply to solar systems considered for defense projects; requires DOD to study and report on converting oil and gas-fired power plants to some alternate fuel on military installations; puts into law a standing DOD requirement that all large boilers or heating units (greater than 50 MBTU heat output) be fueled with something other than oil or gas; urges DOD to foster cooperative efforts with DOE to demonstrate new technology; and requires the removal of all chemical munitions from the Rocky Mountain Arsenal in Colorado and provides that they may be detoxified at the arsenal if the Secretary chooses. H.R. 7301—Public Law 96-418, approved October 10, 1980. (*407)

Military procurement authorization: Authorizes a total of $52,853,324,000 for fiscal 1981 for military procurement, research and development, civil defense, and educational benefits.

Procurement: Authorizes $35,769,885,000 for procurement of aircraft, missiles, naval vessels and weapons including tracked combat vehicles, torpedoes and related support equipment of which $5,304,900,000 is for the Army, $17,401,790,000 is for the Navy (including the Marine Corps) and $12,541,327,000 is for the Air Force, which represents, by weapons systems, $16,592,143,000 for aircraft, $7,087,127,000 for missiles, $8,363,200,000 for Naval vessels, $2,359,325,000 for tracked combat vehicles, $386,600,000 for torpedoes, and $599,490,000 for other weapons;

Includes $352.3 million for 88 UH-60A Army helicopters, $1.5915 billion for 60 Navy Hornet F/A-18 fighter aircraft, $701.6 million for 30 Navy F-14A fighters, $254.8 million for 12 P-3C Navy patrol aircraft, $75 million for advanced procurement for a strategic cruise missile launcher using B-1 bomber technology, $112.6 million for 6 Air Force A-7K aircraft, $845 million for 43 F-15A/B/C/D aircraft, $1.017 billion for 569 Army XM-1 tanks, $1.199 billion for the ninth nuclear powered Trident ballistic missile submarine, $1.1053 billion for two SSN-688 nuclear attack submarines, $526.6 million for the Service Life Extension Program (SLEP) for the aircraft carrier FORRESTAL, $305 million to reactivate the aircraft carrier ORISKANY, $255 million to reactivate the battleship NEW JERSEY, $1.51 billion for six FFG guided missile frigates, $285 million for eight SL-7 cargo ships for the rapid deployment force, and $1.6285 billion for two AEGIS cruisers;

Research and development: Authorizes $16,888,439,000 for research and development of which $3,248,005,000 is for the Army, $5,112,775,000 is for the Navy including the Marine Corps, $7,159,857,000 is for the Air Force, $1,325,702,000 is for defense agencies, and $42,100,000 is for test and evaluation;

Provides $1.55 billion for R&D on the M-X missile, and limits the initial phase of construction of the M-X system to 2,300 protective shelters in the initial deployment area while stating a commitment to a 200 missile system with 4600 shelters; requires the Secretary to report on the environmental and social impact of the project; and calls for a study of alternative locations for the remaining protective structures;

Limits spending on the C-X aircraft to $35 million, contingent on certification that requirements are sufficiently well defined to warrant full-scale engineering development; and prohibits expenditure of more than $15 million until 60 days after the Secretary submits to Congress a study of overall military mobility requirements;

Provides $94 million to the Defense Advance Research Projects Agency (DARPA) for basic technology work leading to space laser weapons; provides funding to accelerate a program that could lead to deployment of a blue/green strategic laser communication system in the late 1980's; provides $2.5 million for resumption of development of the Extremely Low Frequency (ELF) communication system; $98 million to accelerate the development of a new submarine ballistic missile to achieve an initial operational capability (IOC) by 1989; $300 million for full-scale development of a new strategic bomber to achieve an IOC of 1987 and to be capable of performing the mission of conventional bomber, cruise missile launch platform, and nuclear weapons delivery system; $243 million to continue development of the AV-8B Harrier V/STOL aircraft for the Navy; and $150 million to deploy the NAVSTAR program as soon as possible;

Active Forces: Authorizes an overall active duty end strength of 2,065,356 as follows: 775,300 for the Army, 537,456 for the Navy, 188,100 for the Marine Corps, and 564,500 for the Air Force; restricts the proportion of male Army recruits in any one year who are not high school graduates to 35 percent; restricts the proportion of new recruits of each service that are rated mental ability group category IV (i.e., those whose mental ability falls between the 10th and 31st percentile of the base population) to 25 percent or less of all recruits;

Reserve Forces: Authorizes an average strength of 861,700 in the Reserve Forces as follows: 371,300 for the Army National Guard, 204,500 for the Army Reserve, 87,400 for the Naval Reserve, 33,700 for the Marine Corps Reserve, 94,300 for the Air National Guard, 58,800 for the Air Force Reserve, and 11,700 for the Coast Guard Reserve; authorizes increased enlistment and reenlistment bonuses for the Individual Ready Reserve;

Civilian personnel and military training student loads: Authorizes an end strength of 986,000 for civilian personnel in DOD; authorizes an average student load of 234,724 and includes a separate authorization of 28,197 for the Army One Station Unit Training;

Attack related civil defense: Authorizes $20 million for the war-related civil defense activities of the Federal Emergency Management Act; limits Federal contributions for construction of emergency operating centers or similar facilities in any State to 50 percent of the cost; authorizes a blast slanting design and construction research program;

Compensatory and related benefits: Suspends, for one year, the current military pay raise mechanism in law and requires the President to report on recommendations for a new procedure by April 1, 1981; provides instead an 11.7 percent increase in basic pay, subsistence, and quarterly allowances effective October 1, 1980; authorizes the President to reallocate up to 25 percent of the basic pay increase by grade and years of service, as well as into allowances for quarters and subsistence, with a provision that such a reallocation cannot be used to increase basic pay above 11.7 percent for personnel with 4 years or less of service; increases certain enlistment and reenlistment bonus and benefits; bases the calculation of military retired pay on the highest average pay over three years of service; increases per diem reimbursement rates for military personnel on temporary duty travel; increases the reimbursement

paid for moving a mobile home or trailer; provides a family separation allowance for junior enlisted personnel with four years or less of service; provides coverage under CHAMPUS for routine infant medical care and increases from $350 to $1,000 per month the maximum coverage for handicapped dependents of military personnel; eliminates benefits attributable to military service for individuals who fail to complete 24 months of service; and provides a once-yearly cost-of-living increase in military retired pay contingent upon a similar change in current law for Federal civilian retirees;

Educational assistance test programs: Authorizes $75 million for a one year test of certain increased and new educational assistance benefits for military personnel including loan forgiveness and government contributions to the veterans educational assistance program;

General Provisions: Requires a report from the Secretary on certain operation and maintenance activity levels; postpones the date by which the number of generals and admirals is restricted to 1,073 from September 30, 1980, to September 30, 1981;

Exempts from the Vinson-Trammell Act (which limits the allowable profit on a contract for all or part of a military ship or aircraft to 10 percent and 12 percent, respectively) contracts and subcontracts entered into before or after October 1, 1976, if they are completed before October 1, 1981, and continues the application of the Act on contracts and subcontracts entered into after October 1, 1976, and not completed until after October 1, 1981, with no reporting requirement until after October 1, 1981;

Expresses the sense of Congress that NATO allies and Japan should increase their contributions to common defense to levels more commensurate with their economic resources and that the President should seek from those allies greater acceptance of international security responsibilities and greater contributions to the common defense including, where appropriate, greater contribution to host nation support; and requires the Secretary of Defense to submit a report by March 1, 1981, addressing the issues of burden-sharing, real growth in defense spending, and implementation of common defense commitments by NATO member nations and Japan; and

Express the sense of Congress that the provisions of the War Powers Resolution be strictly adhered to. H.R. 6974—Public Law 96-342, approved September 8, 1980. (*295, *384)

National Guard accountability standards: Amends title 32, U.S.C., to give the Secretaries of the Army and the Air Force the authority to regulate property accountability standards for the Army National Guard and Air National Guard, respectively; and allows the Secretaries to cancel liability for damaged property when there is good cause for such remission. H.R. 5748—Public Law 96-328, approved August 8, 1980. (VV)

ROTC scholarships: Increases from 6,500 to 12,000 the authorized number of Army Reserve Officers' Training Corps (ROTC) scholarships for individuals in four-year programs; raises from 25 years to 29 years the age limit for commissioning students with prior enlisted service for ROTC scholarships; repeals the limitation on the proportion of two-year ROTC scholarships that may be awarded; requires that ROTC scholarship recipients reimburse the Defense Department for the cost of education when such recipient voluntarily terminates involvement in the program; authorizes a quarters allowance as reimbursement for expenses incurred in obtaining quarters by military personnel on sea duty who are deprived of the quarters aboard ship; and provides additional income for the United States Soldiers and Airmen's Home by providing non-judicial forfeitures for the support of the home. H.R. 5766—Public Law 96-357, approved September 24, 1980. (VV)

Uniformed Services health professionals special pay: Restructures the special pay system for physicians in the Armed Forces and Public Health Service by replacing the current temporary program with a long term program that provides incentive pay as follows: (1) a special pay to physicians who are not in internship or initial residency training and agree to remain on active duty for at least one year of $9,000 per year to those with less than ten years of creditable service and a $10,000 payment to those with ten or more years of creditable service; (2) a variable special pay which varies from $1,200 to $10,000 per year, based on years of creditable service, for physicians called or ordered to active duty for a period of at least one year; (3) an additional special pay which varies from $2,000 to $5,000 per year based on years of creditable service, to physicians who are board certified; and (4) a special incentive pay of up to $8,000 for physicians in selected specialties who agree to remain on active duty; provides that, 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; freezes all regulations in effect on April 1, 1980, governing the number of months of basic pay authorized for the various categories of military dentists; and makes permanent current law regarding special pay for dentists, optometrists, and veterinarians in the armed forces, and for dentists in the Public Health Service, S. 2460—Public Law 96-284, approved June 28, 1980. (VV)

War risk insurance: Extends, until September 30, 1984, the authority of the Secretary of Commerce under title XII of the Merchant Marine Act of 1936 to provide insurance and reinsurance against the loss or damage by war to American vessels and foreign-flag vessels owned by U.S. citizens or engaged in waterborne commerce of the United States or in such other services deemed by the Secretary to be in the interest of national defense or the national economy. S. 1452—Public Law 96-195, approved February 25, 1980. (VV).

DISTRICT OF COLUMBIA

Housing revenue bonds: Amends the District of Columbia Self-Government and Government Reorganization Act to: (1) authorize the D.C. Council to delegate to a housing finance agency (HFA) the authority to issue revenue bonds, notes, and other obligations in the area of primarily low- and moderate-income housing which the D.C. Council is directed to define, and (2) provide that the expenditure of funds derived from the sale of bonds and the payments of principal and interest on such bonds as well as the creation by the HFA of a security interest in the revenues or assets of the agency may be made without further Congressional approval. H.R. 3824—Public Law 96-235, approved April 12, 1980. (VV)

ECONOMY-FINANCE

Antirecession and targeted fiscal assistance: Extends through fiscal 1980, with an authorization for 1980 only, the antirecession assistance program for State and local governments under title II of the Public Works Employment Act of 1976, which expired on July 1, 1979, and establishes a targeted fiscal assistance program for local governments that are continuing to experience high unemployment; provides for the distribution of funds and raises the minimum quarterly allocations to $2,500 and annual allocations to $10,000 to assure that governments have sufficient funds to maintain services; provides that the antirecession assistance program will be in effect if the average rate of unemployment equals or exceeds 6.5 percent for one calendar quarter and makes $125 million available for distribution under this program plus an additional $30 million for each one-tenth of one percent which exceeds 6.5 percent; provides that the targeted fiscal assistance program will be in effect when the national unemployment rate has been less than 6.5 percent in any calendar quarter and makes $85 million per quarter available for distribution to local governments having unemployment rates of six percent or more; places a $1 billion ceiling on the total funds which may be authorized; limits eligibility under both programs to governments where per capita income does not exceed 150 percent of the national average; and makes special provisions for Alaska and Hawaii because of noncomparable per capita income levels. S. 566—Passed Senate August 3, 1979; Passed House amended January 31, 1980; House requested conference January 31, 1980. (251)

Automobile industry competition: States the sense of Congress that the American automobile and truck industry is essential to the economic stability of the country; urges the Administration, foreign governments, foreign and domestic manufacturers, and affected labor unions to take steps which substantially reduce unemployment in the industry; calls for fiscal import and regulatory policies which create a climate conducive to the industry's conversion to small car production; and calls for a comprehensive strategy to achieve and maintain technological superiority in the world automobile industry. S. Con. Res. 101—Action completed June 24, 1980. (*220)

Banking institutions—"NOW" accounts: Phases out, over six years, interest rate ceilings on deposits; authorizes the equivalent of interest-bearing checking accounts at banks, thrift institutions, and credit unions; gives the Federal Reserve Board greater control over monetary supply by requiring broader reserves; repeals State usury ceilings; and simplifies truth-in-lending requirements;

Federal Reserve requirements: Provides certain Federal Reserve requirements for all depository institutions, but retains voluntary membership in the Federal Reserve; provides a range on reserve requirements on transaction (checking type) accounts of eight to 14 percent with an initial rate of 12 percent applicable to all transaction accounts over $25 million and three percent on accounts below $25 million indexed to the change in total transaction deposits; provides that the initial rate of required reserves on all non-personal time deposits regardless of maturity is three percent with a range of 0-9 percent applicable to all depository institutions; authorizes depository institutions to use balances maintained in the Federal Reserve banks to satisfy depository institutions liquidity requirements under the Federal Home Loan Bank Act and the National Credit Union Act; phases in reserve requirements over eight years for non-member institutions and four years for member banks; provides no phase-in period for any new types of deposits or accounts authorized after the reserve requirement provisions become effective, which is applicable to NOW accounts except for those currently authorized by law; permits the Federal Reserve Board to impose reserve requirements outside the statutory limits in extraordinary circumstances for a period of 180 days; permits the Federal Reserve Board to impose a supplemental reserve on transaction accounts within a range of 0-4 percent if the Board finds that monetary policy cannot be effectively implemented with the reserve balances required under all other provisions of the legislation after an affirmative vote of five or more members of the Board; requires the Federal Reserve to pay interest on the reserves imposed by this authority at a rate up to the average rate earned on the securities portfolio of the Federal Reserve System; allows the supplemental

reserve provision to be used only if the basic reserves provided for under this Act equal, in dollar amounts, the reserves that would be produced if the reserve ratios were maintained at three percent on non-personal time deposits and 12 percent on transaction accounts; gives depository institutions holding transactions accounts access under the same terms and conditions as member banks to the Federal Reserve discount window; gives open access to price services provided by the Federal Reserve Banks to all depository institutions on the same terms and conditions as member banks within 18 months; and expands the types of Federal Reserve assets that can be used to collateralize the Federal Reserve notes and removes the requirement that they be collateralized;

Interest rate ceilings: Transfers the authority to set interest rates on all types of deposits from the Federal Reserve Board, the Federal Deposit Insurance Corporation (FDIC), and the Federal Home Loan Bank Board (FHLBB) to a six-member Depository Institutions Deregulation Committee made up of the heads of those agencies plus the Secretary of the Treasury, and the Chairman of the National Credit Union Administration (NCUA), with the Comptroller of the Currency as a nonvoting member; requires the Committee to meet quarterly in public session and make its decisions by majority vote of the voting members; directs the Committee to provide for a six-year phase-out of Regulation Q just as soon as possible by increasing the permissible rates paid to depositors on all accounts to market rates, by a phased elimination of all interest ceilings on particular classes of deposits by the creation of new types of deposits, not subject to ceilings or with ceilings linked to market rates, or by any combination of those approaches; provides that the Committee will, by majority vote, increase permissible deposit rates ceilings to market rates just as soon as possible by setting a targeted increase of ¼ percent in the permissible passbook rate within 18 months after enactment; provides for additional targeted increases of ½ percent on all classes of accounts; does not bind the Committee to any target; gives the Committee authority to increase or decrease rates at any time during the six-year period; provides that the Committee's authority will expire after six years and the Committee will go out of existence; retains those provisions of the law that permit the Federal Reserve Board, the FDIC, and the FHLBB to regulate depository institutions' advertising of interest rates; allows the authority of NCUA to set interest rate ceilings for credit unions to expire six years after enactment while continuing its authority to regulate credit unions' advertising of interest rates;

Interest on checking accounts: Permits Federally-insured commercial banks, savings and loan associations, mutual savings banks, and savings banks to offer the equivalent of interest-bearing checking accounts, NOW accounts, nationwide as of December 31, 1980; makes permanent, effective March 31, 1980, the authority of: (1) commercial banks to offer automatic transfer services between savings and checking accounts, and (2) Federally-chartered savings and loan associations to operate remote service units; permits Federal Home Loan Banks to process NOW account drafts and other instruments issued by their members or those eligible for membership priced in accordance with the pricing principles applicable to Federal Reserve Banks; permits Federally- and State-chartered Federally-insured credit unions to offer share draft accounts as of March 31, 1980; permits the Central Liquidity Facility (CLF) to process share drafts and other instruments issued by CLF members, credit unions represented in the CLF by agent members, and those eligible for CLF membership priced in accordance with the pricing principles applicable to Federal Reserve banks which shall be available to all eligible institutions on a non-discriminatory basis; extends for two years the termination date of the Alaska USA Federal Credit Union;

Thrift institutions: Allows savings and loans to invest up to 20 percent of their assets in unsecured or secured consumer loans, commercial paper, and corporate debt securities; allows savings and loans to permit associations to invest in, redeem, or hold shares or certificates of open-end investment companies; removes the geographical lending restriction from the Home Owners Loan Act; removes the first lien restriction on residential real estate loans; authorizes second trust loans; expands the authority to make acquisition, development, and construction loans, and substitutes a 90 percent loan to value ratio requirement in place of the dollar limit (now $75,000) on residential real estate loans; allows Federal savings and loans to exercise trust and fiduciary powers and to offer credit card services;

Permits Federally-chartered mutual savings banks (MSB's) to hold up to 5 percent of their assets in commercial, corporate, or business loans provided such loans are made within the State in which it is located or within 75 miles of the MSB home office and to take corporate and business demand deposits; permits Federal credit unions to make loans on individual cooperative housing units; allows Federal credit unions to raise their loan rates up to an annual rate of 15 percent subject to rules issued by the National Credit Union Administration (NCUA); permits the NCUA to raise the loan ceiling above 15 percent for periods not to exceed 18 months, after consultation with appropriate Congressional committees, the Department of Treasury, and other Federal financial regulatory agencies after the Board determines money market interest rates had risen over the preceding six-month period and prevailing interest rate levels threatened the safety and soundness of individual credit unions;

Raises the limits on all Federal deposit insurance from $40,000 to $100,000 and permits the FDIC to change its assessments;

State usury laws: Permanently preempts State usury ceilings on first mortgage loans made by banks, savings and loans, credit unions, mutual savings banks, mortgage bankers, and HUD-approved lenders under the National Housing Act, subject to a State override within three years; preempts for three years State usury ceilings on business and agricultural loans above $25,000 made by any person subject to a State override; applies a ceiling of five percent above the discount rate (including any surcharge) in the Federal Reserve district where the institution is located; permanently preempts State usury ceilings on all loans made by Federally-insured depository institutions (except national banks) and small business investment companies subject to a State override at any time and applies a ceiling of one percent above the appropriate Federal Reserve discount except to transactions subject to the preemptions of usury ceilings on mortgage loans and on business and agricultural loans above $25,000; applies separate usury limits to SBA loans;

Truth-in-lending simplification: Permits an agency not to order restitution if it would have a significantly adverse impact upon the safety and soundness of the creditor and permits partial restitution in an amount which would not have such an impact; provides a detailed formula for restitution payment relating to specific types of disclosure violations; allows the Federal Reserve Board to establish tolerances for numerical disclosures if a creditor makes a minor mistake in quoting the monthly payment; removes the three-day cooling off period for open-end credit which is secured by real estate only for a three-year trial period to determine if beneficial for consumers and businesses; requires disclosure of the itemization of the amount financed upon request by the borrower; provides the Federal Board with the authority to permit a greater tolerance for the disclosure of the annual percentage rate where irregular payments are involved for a period of one year at a tolerance no greater than ½ of one percent between the disclosed rate and the actual rate;

National banks: Gives the Comptroller the authority to extend the current five-year period during which a national bank is permitted to hold real estate for an additional five years subject to the bank having made a good faith effort to dispose of the real estate within five years or a showing that disposal of the real estate within the five-year period would be detrimental to the bank; provides that a bank may expend funds for the development and improvement of such real estate, subject to such conditions and limits as the Comptroller shall prescribe, if needed to enable the bank to recover its total investment; amends 12 U.S.C. 72 to allow directors of national banks to own bank holding company stock instead of bank stock if the national bank is controlled by a holding company; allows national banks to invest in the stock of a bank, insured by the FDIC, owned exclusively by other banks (except for directors' qualifying shares required by State law) and engaged exclusively in serving other banks or their officers, directors, or employees; provides that the total amount of stock owned may not exceed ten percent of a national bank's capital account and prohibits a national bank from owning more than five percent of the voting securities of such bank; places a moratorium on the direct or indirect establishment, acquisition, and operation of a trust company across State lines until October 1, 1981, unless the trust company was acquired and in operation on or before March 5, 1980;

Regulatory simplification: Requires Federal financial institution regulatory agencies, to the maximum extent practicable, to insure that their regulations are needed; that the public and interested parties are given an opportunity to air their views; that alternatives to the regulations are considered; that costs and burdens are minimized; that regulations are written clearly and simply; and that conflicts, inconsistencies, and duplications are avoided;

Foreign control of United States financial institutions: Provides for a moratorium until July 1, 1980, on foreign acquisitions of United States depository institutions with exemptions for acquisitions of under $100 million, corporate reorganizations and transfers of ownership interests already under foreign control. H.R. 4986—Public Law 96-221, approved March 31, 1980. (385)

Council on wage and price stability: Extends the Council on Wage and Price Stability (COWPS) for one additional year and authorizes therefor $9,770,000 for fiscal 1981; requires that the Chairperson of COWPS be appointed by the President and confirmed by the Senate; requires COWPS to review proposals for reducing inflation through tax-based income policies, including incentives for compliance with wage and price guidelines through changes in the tax structure or depreciation allowances and report its findings to Congress by January 15, 1980; requires an annual, rather than the present quarterly, report to the President and the Congress which shall contain an evaluation of the inflationary impact review undertaken during the year; directs COWPS, in calculating allowable price increases, to use an annual average figure for the increase in production for nonfarm output in the private sector, as measured by

the Bureau of Labor Statistics since 1973, instead of 1967 (0.5 percent rather than the current 1.75 percent) thereby increasing the allowable price increase limit of the price guidelines by 1.25 percent; establishes the Office of Productivity to evaluate the impact of government regulations on productivity, to evaluate Federal programs designed to improve productivity, and to issue an annual report to Congress recommending new Federal programs and policies to increase private-sector productivity growth; terminates the Credit Control Act of 1969 on July 30, 1982; directs COWPS, in fiscal 1981, to increase the number of positions which involve the review of proposed and existing regulations by 50 percent over the number allotted for fiscal 1980; and requires that fiscal 1981 expenditures of the Senate not exceed 90 percent of fiscal 1980 expenditures. S. 2352—Public Law 96– , approved 1980. (*169)

Disaster relief programs: Extends the authorizations for the Federal Disaster Assistance Programs of the Federal Disaster Assistance Administration through fiscal 1981; and relieves six privately-owned libraries from repayment of disaster relief funds which were erroneously granted to them by the Office of Disaster Response and Recovery for Damages caused by Hurricane Agnes in 1972. S. 3027—Passed Senate September 26, 1980; Passed House amended November 21, 1980. (VV)

Employee retirement income security (ERISA): Amends the Employment Retirement Income Security Act of 1974 by postponing for two months, from May 1, 1980, to July 1, 1980, the date on which the Pension Benefit Corporation (which administers the termination insurance program that guarantees benefits to retirees and workers in pension plans terminated with insufficient assets) may pay benefits under terminated multiemployer plans in order to give Congress additional time to complete action on legislation revising the multiemployer pension benefit guarantee program. H.R. 7140—Public Law 96-239, approved April 30, 1980. (VV)

Postpones for an additional month, from July 1, 1980, until August 1, 1980, the date on which the Pension Benefit Corporation may pay benefits under terminated multiemployer plans in order to give Congress additional time to complete action on legislation revising the multiemployer pension benefit guarantee program. H.R. 7685—Public Law 96-293, approved June 30, 1980. (VV)

Amends title IV of the Employee Retirement Income Security Act of 1974 (ERISA) and makes parallel changes in title I of ERISA and the Internal Revenue Code of 1954, as amended, to: (1) foster and facilitate interstate commerce, (2) alleviate certain problems which tend to discourage the maintenance and growth of multiemployer plans, (3) provide reasonable protection for the interests of participants and beneficiaries under financially distressed multiemployer plans, and (4) provide a financially self-sufficient program for the guarantee of benefits under multiemployer plans:

Definition of multiemployer plans: Deletes the test relating to proportionate employer contribution (the 50 percent test) and the test relating to continuity of benefits in the event of a cessation of employer contributions; provides that all trades and businesses under common control are to be considered a single employer for purposes of counting the number of employers maintaining a plan, and for other purposes; provides that a plan continues to be a multiemployer plan after its termination if its was a multiemployer plan for the plan year ending before its termination; permits certain single employer plans under present law which would otherwise be multiemployer plans under the bill to elect to continue as single employer plans;

Employer withdrawal liability, mergers, reorganization, financial assistance, etc.: Makes an employer who totally or partially withdraws from a multiemployer pension plan after April 28, 1980, liable for a portion of the plan's unfunded vested benefits determined as of the year preceding the year of withdrawal; provides a special definition of withdrawal for certain industries; provides a basic method for computing withdrawal liability as well as several alternative methods; provides a total exemption for any employers with a liability of up to $50,000, and a phased, partial exemption for an employer with a liability between $50,000 and $100,000; requires that a merger involving a multiemployer plan meet certain standards designed to protect participants' benefits and the Pension Benefit Guarantee Corporation (PBGC); provides that certain financially troubled multiemployer pension plans enter a state of "reorganization" under which contributions generally must be increased and recent benefit increases may be reduced by plan trustees; requires the PBGC to provide financial assistance to insolvent multiemployer plans to enable the plans to pay basic benefits; includes provisions for appropriate legal remedies, equitable relief, or both;

Termination of multiemployer plans: Provides new rules for determining whether, and when, a multiemployer plan terminates; authorizes the PBGC to prescribe reporting requirements and rules for the administration of terminated multiemployer plans to protect the interests of plan participants or to protect the PBGC against unreasonable losses;

Premiums: Provides that the annual per participant premium for the termination insurance program is to increase from the present $.50 rate to $2.60 over a nine-year period or more rapidly if certain conditions are met;

Multiemployer guarantees: Fully guarantees the first $5, and 75 percent of the next $15, of monthly basic benefits earned per year of a participant's service; reduces the 75 percent guarantee to 65 percent under plans which have not met specified funding requirements; provides payments under the guarantees only in the event of the insolvency of a multiemployer plan; provides for periodic Congressional review of premium and guarantee levels; requires the PBGC to guarantee non-basic benefits subject to terms and conditions if the plan elects such coverage; limits the aggregate benefit provided by the PBGC with respect to any participant to the same level provided by present law; adds requirements to the annual report for enforcement purposes;

Contingent employer liability insurance: Repeals the contingent employer liability insurance provisions of ERISA for multiemployer plans and single-employer plans;

Miscellaneous multiemployer plan provisions: Requires the PBGC to study the subject of union-mandated withdrawals from multiemployer plans to determine whether special rules are necessary and to make recommendations with respect to such rules; requires the Department of Labor to study the feasibility and desirability of requiring employers and unions to bargain over both benefits and contributions and to provide Congress with recommendations within three years; requires GAO to conduct a study and report to Congress no later than June 30, 1985, on the effects of the bill on participants, employers, and unions and the self-sufficiency of the PBGC insurance fund; requires faster funding of certain benefits under multiemployer plans; provides multiemployer plans a Federal right of action and remedies in collection of delinquent contributions; removes certain restrictions on return of contributions made to a multiemployer plan by mistake.

Miscellaneous ERISA provisions: Authorizes the Secretary of Labor to treat certain severance pay plans and supplemental income plans as welfare plans rather than as pension plans under ERISA; places the PBGC "on budget"; permits plans maintained by churches to provide benefits for employees of church-related organizations;

General provisions: Amends the Federal Unemployment Act to require the reduction of unemployment benefits for an unemployed pensioner only if the pension comes from an employer in the base period, and to allow the States to take into account the pensioner's own contribution to the unemployment fund in determining the unemployment benefits offset; and provides for the offset for social security and railroad retirement benefits even when the employer is not in the base period. H.R. 3904—Public Law 96-364, approved September 26, 1980. (*327)

Federal Reserve Board nominees: Expresses the sense of the Senate that nominations to the Board of Governors of the Federal Reserve System should reflect careful consideration of the requirements for regional and economic interest representation contained in the Federal Reserve Act. S. Res. 434—Senate agreed to May 15, 1980. (VV)

Public debt limit extensions: Extends the present temporary public debt limit of $479 billion for five days, from May 31, 1980, through June 5, 1980, so that the statutory limit will not revert to the permanent $400 billion level at midnight on May 31, 1980. H.R. 7471—Public Law 96-256, approved May 30, 1980. (*159)

Extends the public limit through February 28, 1981, at an increased amount of $525 billion, which combined with the $400 billion permanent level, makes a total public debt level of $925 billion. H.J. Res. 569—Public Law 96-286, approved June 28, 1980. (*257)

Public debt limit extension—oil import fee disapproval: Extends from June 5, 1980, through June 30, 1980, the present temporary public debt limit of $479 billion which, combined with the $400 billion permanent level, makes a total public debt level of $879 billion; and disapproves the oil import fee proposed by the President on April 2, 1980, that would result in a ten-cent-per-gallon tax on gasoline. H.R. 7428—Vetoed June 5, 1980; House overrode veto June 5, 1980; Senate overrode veto June 6, 1980; became Public Law 96-264, without approval June 6, 1980. (*174, *175)

Public debt limit management: Authorizes the Secretary of the Treasury to increase the interest rate on U.S. Savings Bonds above the current statutory 5½ percent if the increase does not exceed one percent a year compounded semiannually; and increases the authority of the Treasury Department to issue an additional $4 billion in long-term bonds through September 30, 1980, making a total of $54 billion available for fiscal 1980, and increases this amount to $70 billion beginning on October 1, 1980. H.R. 7478—Public Law 96-377, approved October 3, 1980. (VV)

Public works—EDA: Extends, through fiscal 1982, all existing programs of the Economic Development Administration (EDA), including the activities of the eight title V Regional Commissions and the Appalachian Regional Commission at the current law level of $1.07 million. S. 3152—Public Law 96– , approved 1980. (VV)

Securities investor protection: Amends the Securities Investor Protection Act to increase the amount of protection available to customers of brokers and dealers—from $100,000 to $500,000 for securities and from $40,000 to $100,000 for cash investments; and makes the provisions of the Right to Financial Privacy Act of 1978 apply to the Securities and Exchange Commission. H.R. 7939—Public Law 96-433, approved October 10, 1980. (VV)

Small Business Administration authorization:

Authorizes $1.187 billion for fiscal 1981 and $1.375 billion for 1982 for the Small Business Administration and such funds as necessary to carry out programs for which appropriations are not specifically authorized; provides program authorizations for SBA's loan and other financial and guaranteed assistance programs, for capital appropriations for the various revolving funds, and for salaries and expenses;

Provides a five percent rate of interest on disaster loans to concerns that cannot obtain credit elsewhere; sets the interest rate for business concerns that can obtain credit elsewhere at the cost of money to the Federal Government plus not more than one percent; amends the Consolidated Farm and Rural Development Act to provide the same terms for emergency loans under that act; provides that farmers must seek assistance from FmHA before applying to SBA; provides SBA with borrowing authority for its disaster assistance loans, subject to prior appropriations;

Disallows SBA authority to invest excess monies from the surety-bond guarantee fund in bonds or guarantees, but allows investment of excess monies in the pollution control bond fund; authorizes SBA to guarantee debentures of certain State and local development companies on loans of up to $500,000 per small business; authorizes the transfer of loan processing functions to qualified banks; authorizes organizations and individuals eligible for handicapped assistance loans to participate in the procurement set-aside program up to a total of $100 million each for fiscal 1981 through 1983; provides priorities for the placement of government procurement contracts in labor surplus areas;

Small Business Development Centers Act of 1980: Authorizes SBA to make grants to States to defray 50 percent of the cost of developing and operating a small business development center program to assist small businesses in such areas as management, marketing, product development, manufacturing, technology development, finance and government regulations; provides that no more than 50 percent of non-Federal contributions can be in-kind contributions; requires that the program be administered by a Deputy Associate Administrator with this sole responsibility; establishes a National Small Business Development Center Board with six members from small businesses and three from the academic community to advise SBA; provides that each center shall have a full time staff director and access to certain specialists to be provided by qualified small business vendors; requires that the program evaluation be submitted to Congress by January 31, 1983; and provides for repeal of the program on October 1, 1984;

Small Business Economic Policy Act of 1980: Establishes a national small business economic policy to assist the development and expansion of small- and medium-sized businesses and requires certain means of addressing and implementing the policy; requires the President to submit to Congress an annual report on small business and competition; and commits the Federal Government to provide private sector incentives to capital formation;

Small Business Economic Research and Analyses: Requires SBA to establish a data base of economic information pertaining to small business, and to regularly publish indices of that data; establishes the Office of the Chief Counsel for Advocacy at Executive Level IV; and requires a study of small business credit needs;

Small Business Employee Ownership Act of 1980: Authorizes SBA to make loan guarantees of up to $500,000 available under the regular business and loan guarantee program to employee organizations seeking to buy their companies and to firms or employee organizations using Employee Stock Ownership Plans who meet specified qualifications for such loans. S. 2698—Public Law 96-302, approved July 2, 1980. (*158)

Small Business Administration Financing: Raises the current $500,000 statutory ceiling on SBA-guaranteed loans to $750,000; increases from $115,000 to $300,000 the program level for SBA's development company program in order to accommodate the new "503" program (which permits SBA to guarantee debentures issued by qualified and SBA-certified development companies) enacted under Public Law 96-302; and increases from $110,000 to $250,000 the program level for the SBA pollution control bond program. H.R. 6626—Passed House July 28, 1980; Passed Senate amended December 2, 1980. (VV)

Small Business Administration Minority Business Expansion—Export Expansion—Equal Access to Justice: Amends the Small Business Act to extend for an additional year the SBA minority business Army procurement pilot program and a pilot program authorizing SBA to waive surety bonds on certain Capital Ownership Development program contractors; clarifies the authority of the Associate Administrator over the two pilot programs; prohibits SBA from implementing any change in the current regulations governing size standards for determining which concerns are small business before March 31, 1981;

Contains identical provisions of S. 2620, the Small Business Export Expansion Act, as it passed the Senate on September 3, 1980; and

Permits a court to award attorney fees and other expenses to prevailing parties in civil litigation involving the U.S. to the same extent it may award fees in cases involving private parties; provides that parties which prevail in administrative adjudications or civil actions brought by or against the U.S. will be entitled to attorney fees and related costs unless the government action is shown to be "substantially justified"; sets a $75 per hour maximum for attorney fees; includes as parties eligible to recover fees under these new sections, individuals whose net worth is less than $1 million and sole owners of unincorporated businesses, partnerships, corporations, associations or organizations whose net worth is less than $5 million; and allows agriculture cooperatives to qualify for reimbursement without regard to net worth. H.R. 5612—Public Law 96-481, approved October 21, 1980. (VV)

Small Business Investment Incentive—SEC Authorization: Amends the Federal securities laws to facilitate the activities of business development companies, encourage the mobilization of capital for new, small- and medium-sized and independent business, and maintain the system of investor protection; amends the Investment Company Act of 1940 to recognize the unique "business development company" functions of venture capital investment companies, by placing them under a different, more relaxed set of regulations; exempts business development companies, with certain exceptions, from SEC registration; allows advisers presently registered under this act to earn incentive compensation; increases to $5 million the amount of debt capital that could be raised without a trust indenture; increases to $10 million the amount of debt which could be raised without meeting the detailed qualifications of the Trust Indenture Act of 1939; increases from $2 million to $5 million the regulation A simplified offering procedure exemption ceiling for small equity issues; extends the Securities and Exchange Commission for three years, until fiscal 1983, and authorizes therefor $85.5 million for fiscal 1981, $96.64 million for 1982, and $106.61 million for 1983; requires Federal and State securities authorities to meet at least annually with the investment community and small business representatives to resolve small business capital formation problems; exempts stock issues of less than $5 million from registration if sold to institutional and "accredited" investors—those individuals who are willing to invest a substantial amount; and simplifies the regulatory treatment of life insurance accounts relating to pension plans. H.R. 7554—Public Law 96-477, approved October 21, 1980. (VV)

Unemployment compensation: Provides, for the six-month period ending March 31, 1981, up to ten additional weeks in Federal supplemental unemployment compensation benefits for individuals who have exhausted their unemployment benefits, which when added to the 26 weeks of State benefits and the 13 weeks of Federal-State benefits, makes a combined total of 49 weeks of benefits; modifies, effective April 1, 1981, the trigger which currently activates the program when the national average unemployment reaches an insured rate of 4.5 percent to give the States having an insured unemployment rate under the 4.5 percent average but not less than 3.5 percent the option of activating the program within their State; adds a requirement, effective December 31, 1980, that a person must have been employed for at least 20 weeks in any base period to be eligible for unemployment benefits in excess of 26 weeks; requires, as a condition of eligibility, that recipients of supplemental benefits accept an offer of employment which pays the Federal minimum wage or the equivalent of unemployment insurance and other benefits; disallows supplemental benefit payments to individuals who were disqualified under the regular State program because they voluntarily quit their last job, were discharged with cause, or refused to accept employment under governing State laws; and modifies the cap on the Federal penalty tax assessed employers in States with outstanding loans from the Federal unemployment trust fund if the State meets certain solvency requirements. H.R. 8146—Passed House September 30, 1980; Passed Senate amended October 1, 1980; In conference. (VV)

EDUCATION

Arts in Education: States Congressional disapproval of the final regulations by the Commissioner of Education submitted to the Congress on April 3, 1980, pertaining to the arts in education program authorized under the Elementary and Secondary Education Act of 1965, on the grounds that they are inconsistent with the Act and returns the regulations to the Commissioner for modification or disposal, as provided for under the General Provisions Act. H. Con. Res. 319—Action completed May 15, 1980. (VV)

Educational program regulations: Disapproves the final regulations submitted to the Congress in 1980 pertaining to grants to State educational agencies for educational improvement resources, and support authorized under title IV of the Elementary and Secondary Education Act of 1965, on the grounds that the regulation allowing for the purchase of physical education equipment (which the Congress considers nonacademic and therefore not eligible for funding) is inconsistent with the Act and in clear violation of Congressional intent; and returns the regulations to the Commissioner for modification or disposal, as provided for under the General Education Provisions Act. S. Con. Res. 91—Action completed May 21, 1980. (VV)

Disapproves the final regulations submitted to the Congress on April 3, 1980, pertaining to the Education Appeal Board authorized under the General Education Provisions Act, on the grounds that authority to grant the provision giving the Education Appeal Board Chairperson the exten-

sion of the 30-day limit in the statute for submission of an application for Board review of an audit determination is inconsistent with the Act and in clear violation of Congressional intent and returns the regulations to the Commissioner of Education for modification or disposal, as provided for under the General Education Provisions Act. H. Con. Res. 318—Action completed May 15, 1980. (VV)

Disapproves the final regulations submitted to the Congress on April 24, 1980, with respect to the law-related education program authorized under the Elementary and Secondary Education Act of 1965, on the grounds that certain of the program's provisions (1) create a complex schedule of matching requirements for different categories of grants; (2) limit the length of time an individual grantee can continue to receive funds, and (3) create four categories of grants; and returns the regulations to the Commissioner for modification or disposal, as provided for under the General Education Provisions Act. H. Con. Res. 332—Action completed May 20, 1980. (VV)

Higher Education Programs: Authorizes $49.7 billion to extend, for five years, through fiscal 1985 the provisions of the Higher Education Act (HEA), the authorizations for the Fund for the Improvement of Postsecondary Education and Title VI of the National Defense Education Act which are brought within the ambit of the Higher Education Act, and the authorization of the National Institute of Education;

Establishes a Commission on National Development in Postsecondary Education to review the effectiveness of Federal policies in the area of higher education, authorizes under educational outreach programs grants to States for planning and for continuing education with special focus of services on outreach to adults who have not been adequately served by postsecondary education; guarantees a minimum grant to each State of $187,500;

Extends existing college library and research programs, which includes grants of up to $10,000 for college libraries, to assist in training librarians, and to strengthen research library resources; authorizes a study of the advisability of a national periodical system;

Provides short-term Federal assistance to institutions to improve their academic quality and strengthen their fiscal stability and to institutions with special needs; places emphasis on strengthening institutions which enroll large numbers of disadvantaged students, lack resources, and are taking steps to improve their chance of survival; establishes a challenge grant program for institutions to seek alternative sources of funding for their development needs; provides that institutions that historically have enrolled a large number of blacks shall receive not less than 50 percent of their 1979 amount; specifies that from 24 to 30 percent of funding be awarded to community and junior colleges;

Student Assistance: Increases the maximum Basic Educational Opportunity Grant, which is renamed a Pell Grant, from $1,800 to $1,900 for academic year 1981–82 phased up to $2,600 for 1985–86 to cover 50 percent of educational costs which rises to 70 percent of costs in 1985–86; increases the maximum Guaranteed Student Loan from $2,500 to $3,000 for independent students with an aggregate limit of $15,000 for independent students, $12,500 for dependent undergraduates, and $25,000 for graduate students: increases the rate of interest from seven to nine percent for new borrowers with no interest charged while the student is in school; allows this interest rate to drop to eight percent if the interest on Treasury bills fall to nine percent of loan; establishes a parent undergraduate loan program that allows parents to borrow up to $3,000 per dependent student at nine percent with repayment to begin within 60 days of borrowing; provides for loan consolidation and extended income-sensitive repayment through the Student Loan Marketing Association (Sallie Mae); increases the maximum Supplement Educational Opportunity Grant from $1,500 to $2,000 and authorizes $400 million per year through 1985 and such sums as necessary for continuing year authorizations; increases the maximum State Student Incentive Grant to $2,000; extends eligibility to graduates and less-than-half-time students; authorizes $100 million each in fiscal 1981 and 1982, rising $50 million per year, thereafter; increases the maximum aggregate National Direct Student Loan which can be borrowed from $10,000 to $12,000 for graduate or professional students, from $5,000 to $6,000 for those who have completed the first two years of undergraduate study, and from $2,500 to $3,000 for all other students; sets the Federal contribution to institutional loan funds at $400 million for fiscal 1981 and 1982, rising to $625 million for fiscal 1985; raises the interest from three to four percent for new loans and creates an alternative mechanism for financing whereby the Secretary can provide loan capital through borrowing from the Federal Finance Bank and requires that when the Secretary borrows enough to provide $1 billion in loans on campus, the institutional revolving fund for that year will revert to the treasury; requires a single application for all aid programs, a single needs analysis system, and more equitable standards for determining need and costs;

Rewrites and reforms existing Federal international education programs; authorizes the Secretary to make grants to or enter into contracts with institutions of higher education to establish foreign language centers and programs which focus on the teaching of modern foreign languages and the cultures where the language is spoken, to make grants to carry out certain research projects, and to improve undergraduate instruction in foreign languages; authorizes grants or contracts with institutions of higher education to develop international business education and training programs; authorizes the establishment of a national advisory board on these programs; authorizes contracts or grants to public or private institutions to develop programs to increase the understanding of students and the public about foreign cultures:

Reorders the existing Construction, Reconstruction, and Renovation of Academic Facilities Title to focus Federal assistance on energy conservation, meeting Federal requirements relating to the handicapped and to health and safety mandates, development of research and library facilities, asbestos detection and removal, and on institutions experiencing unusual increases in enrollment; increases the interest rate for academic facilities loans from three to four percent;

Retargets and extends Federal cooperative education programs; increases the maximum grant for planning, establishing, expanding, or carrying out programs of cooperative education from $175,000 to $325,000 per institution or from $120,000 to $250,000 for each member of a consortium; sets at five years the maximum length of time that any one institution can participate in the program; specifies the amount of grant funds that may be used for administrative costs; and makes such grants available for training, research, and demonstration projects;

Consolidates several existing authorities providing graduate fellowship assistance and extends for five years existing graduate programs for grants of up to $4,500 per year for three years to graduate and professional students based on financial need with special emphasis on individuals pursuing a public service career or advanced study in energy resources, energy conservation or development and who are from disadvantaged backgrounds; establishes a new National Graduate Fellows Program for 450 competitive fellowships per year to be awarded to eligible students for graduate studies in the arts, humanities, and social sciences; continues grants assistance for Training in the Legal Professions to assist disadvantaged students pursuing training in the legal profession; authorizes funds for the Law School Clinical Assistance program;

Moves the Fund for the Improvement of Postsecondary Education into the HEA and gives its board statutory authority;

Authorizes a new program of grants to urban universities to assist in solving urban area problems;

Extends several existing sections of the Higher Education Act, while at the same time refocusing the Federal planning requirement on the planning process itself and not on the planning structure;

Extends and reauthorizes programs of the National Institute of Education;

Authorizes matching funds to establish the Robert A. Taft Institute of Government in New York City;

Authorizes several changes in the General Education Provisions Act to increase from one year to two years the period of automatic extension of the authorization or duration of expiring programs for programs that are forward funded; authorizes Congress to reject, in whole or part, final regulations submitted by the Department of Education; extends through fiscal 1981 the Pre-College Science Teacher Training Program and the Minority Institution Science Program; authorizes memorials to Daniel "Chappie" James and William Levi Dawson; mandates the creation of an information clearinghouse for the handicapped within the Department of Education; provides for a study of the educational needs of Hawaiian natives and assistance for the Navajo Community College; amends the impact aid law to provide a special authorization for the educational costs of Cuban, Haitian, and Indo-Chinese refugee children; and gives land grant status to colleges in American Samoa and Micronesia. H.R. 5192—Public Law 96–374, approved October 3, 1980. (*246, *390, *447).

ENERGY

Alaska Federal-Civilian Energy Efficiency: Authorizes the sale of surplus Federally-generated coal-fired electric power in the State of Alaska if the sale would result in reduced electric power costs and consumption of oil or natural gas; and authorizes Federal purchase of civilian generated power provided it would result in a savings to either civilian or Federal consumers and not increase the cost to the other. S. 1784—Passed Senate September 25, 1980. (VV)

Alaska Natural Gas Transportation System: Expresses the sense of the Congress that the Alaska Natural Gas Transportation System remains an essential part of securing this Nation's energy future, and, as such, enjoys the highest level of Congressional support for its expeditious construction and completition by the end of 1985. S. Con. Res. 104—Action completed July 1, 1980. (VV)

Coal Conversion: Requires 80 electric generating power plants to convert from their present use of petroleum to coal or another alternate energy source and authorizes $3.6 billion for direct financial assistance for conversion; requires the Secretary to grant an exemption upon finding that a utility has demonstrated that it is not feasible to finance the conversion or if the powerplant does not have, or has not had, the technical ability to use coal or an alternate fuel, or that it could not have such capability without substantial physical modification or substantial reduction in the related capacity

of the powerplant; entitles each utility with a powerplant which is required to convert to a grant covering 25 percent of the qualified capital costs of converting; requires a utility to show financial need to qualify; authorizes the Secretary to provide up to an additional 25 percent in grants, an additional 50 percent in loans, or a combination thereof, thus allowing financial assistance of up to 75 percent of the cost of converting a powerplant; entitles powerplants that have already converted to the basic 25 percent grant assistance; allows the Secretary to exclude as an alternative fuel coal tar having a significant commercial value as other than a powerplant fuel;

Voluntary Scrubber Program: Provides grants for a voluntary program for installation of advanced sulfur removal systems for nonconverting existing electric powerplants to reduce emissions and authorizes $450 million therefor in fiscal 1981, to remain available until expended;

Coal Washing Program: Provides grants to pay up to 20 percent of qualifying costs to construct a coal preparation facility capable of reducing the sulfur content of coal; allows allocation of up to 25 percent of appropriated funds within a single State; authorizes $150 million therefor in fiscal 1982 to remain available until expended;

Off-Gas Provision: Amends the prohibition of present law against continued use of natural gas as a primary energy source in electric powerplants after January 1, 1990, to allow the use of natural gas for the duration of a powerplant's book service life; allows electric powerplants which are required to convert from petroleum to use natural gas in conjunction with coal in such quantities as necessary to meet applicable environmental requirements; revokes the prohibition order or proposed prohibition order for certain listed powerplants; retains the Secretary's existing discretionary authority to issue new prohibition orders to powerplants or major fuel-burning installations; exempts from any 1990 cut-off synthetic gas derived from tar sands; requires each utility planning to burn natural gas after 1990 to report to the Secretary concerning construction of new coal-fired generating capacity:

Cogeneration: Amends present law to encourage additional cogeneration of electricity by non-utility cogenerators by removing the 50 percent limitation on sales of cogenerated power sold or exchanged for resale by qualifying cogenerators; and makes the cogeneration exemption mandatory rather than discretionary. S. 2470—Passed Senate June 24, 1980. (*251)

Deep Seabed Mining: Establishes an interim program, pending ratification of a Law of the Sea Treaty, to encourage and regulate the exploration for and commercial recovery of hard mineral resources of the deep seabed by U.S. citizens in an environmentally-responsible manner; requires the Secretary to report annually to Congress on the progress of the Law of the Sea Treaty and seeks to encourage the successful negotiation of the Treaty which will give legal definition to the principle that the hard mineral resources of the deep seabed are the common heritage of mankind and which will assure nondiscriminatory access to such resources for all nations; requires U.S. nationals to obtain a license or permit, except for specified activities, from the Administrator of the National Oceanographic and Atmospheric Administration before they engage in exploration for or commercial recovery of manganese nodules from the deep seabed; prohibits the Administrator from issuing any exploration license before July 1, 1981, or any permit which authorizes commercial recovery to commence before January 1, 1988; establishes specific guidelines for the issuance of licenses and permits including terms, conditions, and restrictions as set forth by the Administrator; seeks to stabilize the presently uncertain investment climate in the ocean mining industry caused by indication of U.S. willingness to change the present international law which permits unrestricted seabed mineral development; urges the U.S. negotiators of the treaty to obtain economically sound "grandfather rights" for miners who conduct activities under the authority of this act; authorizes the President to designate any foreign nation as a reciprocating state for the purpose of recognizing the licenses and permits issued by those countries; imposes, effective January 1, 1980, an excise tax of 3.75 percent of the value of resources removed from the deep seabed to be held in escrow and be available for appropriation by Congress for U.S. contribution to a future international revenue sharing fund created by any future international agreement ratified by the U.S.; makes the holder of a permit issued under the act liable for the payment of the tax; requires that all vessels used for mining or processing, and at least one out of the two-to-four vessels used for transporting minerals from each mining site, be a U.S. flag vessel; and establishes in the U.S. Treasury a "Deep Seabed Fund" from which expenditures can later be made to meet U.S. financial obligations pursuant to an international deep seabed treaty, H.R. 2759—Public Law 96-283, approved June 28, 1980. (VV)

Department of Energy Authorization—Civilian: Authorizes $9,565,058,000 for fiscal 1981 for the civilian programs of the Department of Energy, and $400 million each year for 1982 through 1985 for energy impact assistance; establishes appropriations accounts for operating expenses and plant and capital equipment, including construction projects and acquisition of capital equipment not related to construction, for DOE civilian programs at the fiscal 1980 level using those accounts delineated in title I of the fiscal 1980 Energy and Water Development Appropriations Act (Public Law 96-69) and in title II of the fiscal 1980 Department of Interior and Related Agencies Appropriations Act (Public Law 96-126), plus an additional ten percent for each such account; limits appropriations for construction or acquisition of away-from-reactor (AFR) nuclear waste storage facilities, except for research, until authorizing legislation is enacted establishing public policy regarding title transfer, user fees and other operating procedures, and providing that actions preliminary to construction or acquisition may proceed; continues authorizations for construction projects authorized in prior years and establishes a ceiling on the total appropriation for each project; authorizes additional amounts for major new program initiatives and construction projects in fiscal 1981 and establishes total cost limits for each project; terminates, effective October 1, 1981, 1,000 DOE positions currently allocated to carry out programs established under the Emergency Petroleum Allocation Act of 1973, and prohibits funds to carry out programs established under the Act after September 30, 1981, except to complete matters and claims previously initiated; approves the revised budget request for the Naval Petroleum Reserve Development Program and the Commercial Nuclear Waste Remedial Action Programs; authorizes the reappropriation of operating expenses for the Geothermal Resources Development Fund ($41,982,000) and for the Strategic Petroleum Reserve ($2,403,978,000); authorizes the use of up to $12 million available for fossil energy operating expenses to continue design work on the coal gasification project which is not yet selected for construction; authorizes funds for fiscal 1982 and beyond for each account at the actual appropriation which was made in the prior year plus ten percent; amends the Powerplants and Industrial Fuel Use Act of 1978 to authorize broader financial and technical assistance to States, regions, and local governments to prevent and mitigate potentially adverse economic, social, and environmental impacts resulting from major energy development; authorizes for 1982 through 1985, $400 million each year for loan guarantees, loans, and grants, with not more than 40 percent available for grants; and authorizes not to exceed $1.5 billion in loans to be guaranteed, subject to subsequent appropriations. S. 2332—Passed Senate July 31, 1980. (*337)

Department of Energy Authorization—Military: Authorizes $3,973,225,000 for fiscal 1981 to the Secretary of Energy for operating expenses and capital equipment and construction costs related to the national defense programs of the Department of Energy (DOE) of which $2,203,923,000 is for the nuclear weapons program, $36,391,000 for the verification and control program, $704,500,000 for the materials production program, $361,932,000 for the defense waste management program, $218,425,000 for the inertial confinement fusion program, $398,350,000 for the naval reactors development program, and $46,704,000 for the nuclear materials security and safeguards program; prohibits the reprogramming of funds in excess of 105 percent of an authorization or $10 million, whichever is less, unless 30 days of session after notification of the appropriate Congressional committees lapse without committee objection to the project; authorizes the Secretary to carry out any construction project under the general projects provisions if the total estimated cost does not exceed $1 million; requires line item authorization for construction projects costing more than $1 million; precludes the start of, or obligation of additional funds for, any national security programs project costing more than $5 million if the current estimated cost exceeds by more than 25 percent the amount authorized for the project, or the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to Congress, unless the Secretary notifies the appropriate committees in writing of the reasons and gives the committees 30 days to disapprove; authorizes the transfer of funds to other government agencies for work for which such sums were appropriated; authorizes $2 million for the Secretary, using funds for plant engineering and design, to carry out advanced planning and construction design and to obtain architectural and engineering services in connection with construction projects not authorized by law, and requires that the Secretary notify the appropriate Congressional committees 30 days in advance of any obligation of funds for any single project whose cost of planning and design exceeds $300,000; authorizes the Secretary to perform such planning and design, utilizing available funds, for any DOE defense activity construction project which he considers urgent for the needs of national defense or to protect property or human life; authorizes increases to accommodate Federal pay raises; instructs the Secretary to produce and stockpile the nuclear materials and warhead components necessary to enable the rapid conversion of the W70-3 Lance warhead and W79-1 eight-inch artillery projectile to an enhanced radiation capability; prohibits funding for licensing of any defense activity or facility of DOE by the NRC, or for payments of penalties and fines for forfeitures or settlements resulting from a failure to comply with the Clean Air Act with respect to any defense activity of DOE; and authorizes the development of a cooperative plan to provide assistance in establishing and managing uranium mill tailings that have resulted from contracts with the U.S. government to produce uranium for defense purposes which shall include a methodology for establishing the extent of Federal assistance

appropriate to meet the costs of stabilizing and managing such tailings at the active sites where they are now commingled with other tailings not related to Federal contracts. S. 3074—Public Law 96– , approved 1980. (VV)

Energy efficient cooling: States the sense of the Senate that the President should take appropriate actions to coordinate Federal departments and agencies in establishing programs to encourage the use of energy efficient alternatives for cooling, including tax incentives, Federal procurement policies, research, development, and demonstration programs, and programs to make such information and the structure of these Federal programs available to States. S. Res. 460—Senate agreed to October 1, 1980. (VV)

Energy Management: Provides for the consolidation of State applications for financial assistance for existing DOE programs authorized under Part D of title III of the Energy Policy and Conservation Act (including amendments to this part contained in the Energy Conservation and Production Act) and the Energy Extension Service Act; mandates the development of State energy plans, within nine months after the Secretary has promulgated regulations, which must contain a description of the State's energy supply and demand, goals, and proposed measures to encourage conservation and the use of renewable sources of energy; requires the State to hold public hearings during the planning process and take account of the needs of the poor, handicapped, and elderly citizens in developing the plan; provides that the Secretary allocate funds for such programs to qualifying States under a formula with a 75 percent weight for resident population and a 25 percent weight for uniform distribution among States: provides financial and technical assistance for Indian tribes; requires the Secretary to monitor and evaluate the success of programs that receive Federal assistance; authorizes the Secretary to use, during fiscal 1981 such sums as may be provided for these purposes in appropriation acts pursuant to the authority in the DOE authorization bill, S. 2332, and authorizes $100 million for fiscal 1982 and 1983;

Calls on the Secretary, within 90 days of enactment, to enter into an interagency agreement with the Secretary of HUD, to provide for distribution of funds and approval of grants to encourage units of local government to adopt and implement community plans and programs designed to achieve significant energy savings and encourage the use of renewable energy resources within their jurisdictions; authorizes the Secretary, if such agreement cannot be reached within the 90 days, to proceed with the program; makes this financial assistance available to qualifying metropolitan cities and urban counties and units of local government within metropolitan areas on an entitlement basis and to other communities on the basis of competition; provides for allocation of funds under a formula having equal weight factors for population and indices of distress (poverty, housing overcrowding, or age of housing); provides that no State could be allocated less than one-half of one percent of available funds; permits a consortium of cities representing a population of at least 200,000 to apply for an entitlement grant; provides for the allocation of funds within a State on a basis of resident population; and authorizes the Secretary to use, during fiscal 1981, such sums as may be provided for such purposes in appropriations acts pursuant to the authority in the DOE authorization bill, S. 2332, and authorizes $80 million for fiscal 1982 and 1983. S. 1280—Passed Senate July 25, 1980; Passed House amended December 1, 1980. (VV)

Energy Mobilization Board: Provides an expedited and coordinated "fast track" process for decisions by Federal, State, and local governments on proposed non-nuclear energy facilities which are designated as priority energy projects;

Creates an Energy Mobilization Board (EMB) to implement the fast track process with the authority to designate projects as priority energy projects if it determines that they would reduce the Nation's dependence on imported energy; provides that the Board shall consist of a Chairman (who would have exclusive decisionmaking authority except in the selection of priority energy projects) and three members appointed by the President and confirmed by the Senate of which not more than two shall be of the same political party; required the Board to meet at least once a month;

Prohibits designation of a priority energy project unless EMB finds that the project is likely to reduce, directly or indirectly, the Nation's dependence upon insecure foreign petroleum products: provides that EMB shall designate any fossil fuel electric generating plant which involves the conversion from oil or natural gas to coal or which replaces an oil or gas fixed plant with a coal fired facility; requires designation of any hydroelectric project located at the site of an existing dam with a capacity of not more than 30,000 kilowatts; designates oil and gas drilling activities on onshore Federal lands and, instead of a Project Decision Schedule, requires that Federal agencies issue a decision on applications within 100 days and provide for a goal of 30 days for the issuing of permits; requires that an applicant for priority status must have applied for all necessary approvals from State and local agencies and submitted the designation request to the Governor of the affected State; requires EMB, upon designation, to notify the Governor and other appropriate officials of affected areas; requires Federal agencies having jurisdiction over the development of Federal land for energy, coal, oil, or gas production to expedite consideration of applications and make the necessary decision within 12 months of receipt of the application;

Gives EMB the power to set reasonable deadlines for decisionmaking by Federal, State, and local agencies which may be shorter than the time required for agency decisions under existing law; requires the Board, where possible, to negotiate written cooperative agreements with affected State and local governments regarding deadlines; subjects the reasonableness of the deadlines to judicial review in the Temporary Emergency Court of Appeals (TECA); authorizes Federal and State agencies to adopt special, expedited procedures for meeting EMB deadlines which could include: substitution of legislative-type hearings for trial-type hearings, shorter time periods than those allowed under existing statutory law, and consolidated agency proceedings; authorizes EMB to prescribe special expedited procedures for Federal agencies; requires the Secretary of Energy to provide financial assistance to State and local agencies for the purpose of meeting deadlines if EMB so recommends; requires EMB, in the event a Federal, State, or local agency fails to meet a deadline, to make the decision within 60 days in lieu of the agency (applying the same decision criteria that the agency would have been required to apply) or to seek a court order enforcing the deadline; requires EMB to notify any agency failing to meet a deadline; affirms the authority of any agency to disapprove any application;

Empowers EMB, with the concurrence of the President, to waive Federal, State, or local law as it applies to a priority energy project if the law were adopted after construction of the project had commenced, with the exception of laws relating to labor-management relations, discrimination, crimes, and antitrust, provided the Administrator of EPA and the Secretary of Interior have not disapproved such waiver; requires EMB, as a precondition to granting a waiver, to find that the waiver is necessary for timely completion of the project and that it would not unduly endanger public health or safety: allows TECA exclusive jurisdiction to review such waivers; exempts water law from any waiver provisions in the bill; explicitly provides that all priority energy projects must obtain water pursuant to State law and provides that terms and conditions on State water law permits for priority energy projects shall not be deemed to constitute a burden on interstate commerce;

Authorizes EMB to: (1) require that only one environmental impact statement be prepared on a priority energy project and that the statement be used by all Federal, State, and local agencies subject to a National Environmental Policy Act-type requirement; (2) designate the lead Federal agency for preparation of the impact statement; and (3) assign responsibilities to other Federal agencies for cooperating in preparing the environmental impact statement;

Provides for review of all Federal, State, and local agency actions involving priority energy projects in TECA which shall only have appellate jurisdiction but with authority to remand issues of fact to agencies for further proceedings; makes an EMB decision granting priority status to a project exempt from judicial review and a decision denying priority status reviewable; requires that challenges to the reasonableness of EMB deadlines be filed within 30 days after promulgation of the deadlines; prohibits TECA from enjoining operation of the deadline but permits it to extend the time period for decisionmaking; authorizes the court on review to grant injunctive relief lasting longer than 90 days except in conjunction with a final judgment;

Requires GAO to transmit a report to Congress on the number of years and dollars saved on energy projects as a result of this bill, and the amount by which imported oil use was reduced; exempts the transportation system authorized by the Alaska Natural Gas Transportation Act of 1976 from EMB jurisdiction except as may expedite the construction of the Alaska Natural Gas Pipeline; requires, where practicable, the use of a single application form by all Federal agencies; and requires EMB to report annually to Congress concerning laws and regulations which significantly hinder the completion of energy projects. S. 1308—Passed Senate October 4, 1979; Passed House amended November 1, 1979; House recommitted conference report June 27, 1980. (336)

Gasohol Credit: Amends the Clayton Act to prohibit those engaged in petroleum refining and marketing from placing restrictions on the use of credit instruments in the purchase of gasohol or in any other way discriminating against or unreasonably limiting the sale or marketing of gasohol or other synthetic motor fuels. S. 2251—Public Law 96-493, approved, December 2, 1980. (VV)

Geothermal Steam Production: Revises the Geothermal Steam Act of 1970, as amended, to facilitate and require accelerated exploration and development of geothermal resources; expedites government action in leasing and permits decisionmaking by: setting time goals for decisions on permits and lease applications; establishing a new category of "conditioned leases" to permit early access to lands for exploration purposes without an environmental review; establishing a nomination system for competitive leases to concentrate agency effort on those tracts of greatest interest to industry; directing surface managing agencies to take account of geothermal resources when making land use and other

decisions; providing for cooperation and coordination between Federal, State, and local government entities in planning and permit issuance; directing that, to the maximum extent practicable, existing environmental information be used in land use plans; directing that regional environmental standards be established and used in reviewing permit applications; and establishing a system of review and reporting on leasing regulations and agency performance;

Requires that the Secretary develop rules and regulations for diligent development and exploration of Federal leases, including a requirement that lessees submit within three years of receipt of a lease exploration plans and commence drilling within two years of approval of such a plan or drilling permit;

Removes exploration disincentives by: expanding the acreage holding limit per State, thus permitting companies to enable the formation of a sizable exploration skilled nucleus of employees, to assemble an adequate number of drillable prospects, providing that lease applicants who drill and generate information which leads to known geothermal resource area (KGRA) designation of lands for which they applied prior to drilling are to be given leases on a noncompetitive basis, if a lease is issued at all; and setting an 18 month time limit after which an application for a non-competitive lease is no longer in jeopardy of being invalidated by KGRA designation;

Assures that nationally significant thermal features in national parks and monuments are protected;

Provides additional financial incentives to develop geothermal resources on Federal lands by: narrowing the definition of KGRA's to reduce the amount of land to be bid on a competitive basis; authorizing the Secretary to require a royalty of only five percent on nonelectric geothermal resources; permitting the delayed payment of royalties by municipalities, cooperatives and other political subdivisions in instances where royalty payment would discourage development; permitting free use of geothermal resources by surface owners in certain cases; and providing for a system of declassifying lands from KGRA status if no bids are received when the lands are offered for lease;

Promotes competition in the geothermal industry by: authorizing the Secretary to use alternative bidding systems and establishing a target of ten percent of the leases offered in a given year for which he is to use such systems, thereby permitting those with less frontend capital to compete with larger companies; and

Establishes a special offering procedure for public power and rural electric cooperatives; and promotes geothermal development by permitting Federal agencies to use resources located on their lands. S. 1388—Passed Senate June 24, 1980. (VV)

Heat crisis program: Authorizes the Community Services Administration (CSA) to borrow $21 million from the Rural Development Loan Fund to assist low-income persons during the heat crisis; assures that the Fund will be paid back with the unused grant funds that CSA has already distributed to the States which cannot be spent because of a June 30 cutoff, and consequently will be returned to the Federal Government; and insures that any funds expended under this Act will be extended to States or areas which have experienced extreme heat conditions for a significant period of time and contain significant numbers of low-income individuals whose health is menaced by heat. S. 2995—Public Law 96-321, approved August 4, 1980. (VV)

Low-income energy assistance: Revises and rewrites the existing authority under the Economic Opportunity Act authorizing low-income emergency energy conservation services administered by the Community Services Administration and reestablishes this authority in a new Title XI, entitled "Comprehensive Energy Conservation Services Program" having three major components: a weatherization program, a crisis intervention program and outreach services, and a supplemental energy conservation services program which includes energy conservation education, alternative energy development, energy audit activities, and energy conservation, demonstration, and pilot projects;

Weatherization Program: Authorizes $500 million for 1981, $750 million for 1982, and $950 million for 1983 to provide grants to States for weatherization of low-income homes; requires each State to submit a three-year weatherization plan and, once approved, an annual report updating the plan; requires a State to establish a weatherization council in order to receive financial assistance; specifies the council's responsibilities, including assistance in the preparation of the State plan, and review of local projects;

State Allocations: Requires that 95 percent of the States' appropriation for weatherization be allotted according to the following formula: (1) 50 percent distributed according to each State's relative share of aggregate residential energy expenditures, and (2) 50 percent according to each State's relative share of heating degree days squared, weighted by households below the Bureau of Labor Statistics lower living standard of the State; establishes a minimum allotment for any State whose allotment under the formula is less than $17 million; requires that the CSA Director reserve any remaining sums for: national and regional office training costs, training and technical assistance, evaluation, demonstration, research, and pilot projects, and incentive grants which will provide a 25 percent Federal match to any State which establishes a weatherization program; provides that up to $2 million from the reserve shall be available for national and regional office administrative costs; places a 3/10ths of one percent limit on the amount of funds to be allocated to the territories; provides for reallocation to be made in proportion to the original State allotments for any portion of a State's allotment which will not be expended during the period for which it is available; authorizes the Director to make direct grants to migrant and seasonal farmers and members of Indian tribes;

Local Weatherization Projects: Authorizes a State, upon approval of its plan, to designate as a local weatherization project any of the following that have demonstrated effectiveness in supervising or carrying out weatherization services: community action agencies, Indian tribal organizations, community development corporations, public or private nonprofit agencies, community organizations, political subdivisions of a State, or any combination thereof; requires that, in designating local projects, funds be allocated on the basis of the relative need for weatherization assistance, taking into account climate, the energy efficiency of dwellings, energy usage and cost, type of work to be performed and other factors, as determined by the Director; gives priority to community action agencies to conduct local projects under the current DOE and CSA weatherization programs; continues the current practice of establishing local advisory councils; allows weatherization funds to be used to pay labor costs and gives priority for these jobs to youths aged 16 to 24 who have completed a CETA training course, and to the hard core unemployed; provides that wages be paid in accordance with maximum wage limitations, and the minimum wage requirements applicable under CETA;

Eligibility: Makes low-income and near-poor families and individuals eligible for assistance if (1) their incomes are equal to or less than 85 percent of the Bureau of Labor Statistics' lower living standard income level ($9,814 for a family of four), and (2) their residence is in need of weatherization services under criteria established by the CSA Director; requires equitable treatment of owners and renters; requires that the State plan include goals and timetables on the number of rental properties to be weatherized; requires the State to establish criteria for avoiding undue enhancement of the market value of rental property;

Evaluation and Monitoring: Requires funds to be reserved to insure that adequate staff and management resources are available; requires the Director to provide for the continuing evaluation of the program;

Crisis Intervention Program: Authorizes such sums as are necessary for fiscal 1981 through 1983 for crisis intervention, using the same allocation formula for distributing crisis intervention funds as for weatherization funds; requires the Director and the State receiving financial assistance for weatherization or crisis intervention to conduct outreach programs with a particular focus on the elderly, the handicapped, migrant and seasonal farm workers, individual and families with children, and those residing in remote areas; specifies that community action agencies, State welfare agencies, and ACTION be utilized in implementing outreach activities; requires the Director to submit an annual report on crisis intervention;

Supplemental Energy Conservation Services: Authorizes $10 million annually for fiscal 1981 through 1983; and requires the President to establish procedures to coordinate all energy conservation and assistance programs carried out by any Federal department or agency that affect low-income and near-poor individuals and families. S. 1725—Passed Senate February 28, 1980. (*52)

Magnetic Fusion: Authorizes the Secretary of Energy to establish an accelerated research, development, and demonstration program in the field of magnetic fusion to achieve demonstration of the engineering feasibility of magnetic fusion by the early 1990's, operation of a magnetic fusion engineering device at the earliest practicable time, but not later than 1990, and operation of a magnetic fusion demonstration plant at the turn of the twenty-first century; requires the Secretary to prepare a comprehensive program management plan which measures the progress in the program; directs the Secretary to develop a plan for a National Magnetic Fusion Engineering Center; provides the Secretary with discretionary authority to require the establishment of an advisory committee at each laboratory where a major magnetic fusion facility is located to foster a broader participation in the magnetic fusion program; requires the Secretary to maintain equitable exchanges in the conduct of cooperative programs with technically advanced nations so that the current U.S. leadership in magnetic fusion is not dissipated; and authorizes for fiscal 1981 such sums as are provided in the Department of Energy Act and authorizes the Secretary to enter into contracts only to the extent or in the amounts as may be provided in advance in appropriations acts. H.R. 6308—Public Law 96-386, approved October 7, 1980. (VV)

Methane, Transportation Research, Development, and Demonstration: Establishes, within the Department of Energy, a program of advanced and accelerated research into methane vehicle design, distribution systems, and storage facilities and demonstration of the economic and technological practicalities of methane-fueled vehicles for fleet use and on-farm operations; calls for the initiation of 50 fleet demonstrations, of no less than 50 vehicles each, over the next

three years; authorizes the Secretary to make grants to public entities and loans to private entities of up to 50 percent of the costs associated with installation of methane transmission storage and dispensing facilities; requires the Secretary to consult with the Post Office, GSA, DOD and other Federal agencies to determine the practicability of using methane vehicles in the performance of their duties, and thereafter to arrange for appropriate use of such vehicles; directs the Secretary to submit an annual report to Congress on activities underway or carried out under the act; and authorizes $3 million in fiscal 1982, and up to $5 million for each 1983 and 1984, and such sums as may be necessary for 1985 and 1986 of which at least half of the funds available for 1982 through 1984 will be used for the purpose of making loans to private entities. H.R. 6889—Public Law 96– , approved 1980. (VV)

Ocean Thermal Energy Conversion: Establishes a goal for demonstrating an electrical and energy product equivalent capacity of at least 100 megawatts from ocean thermal energy conversion (OTEC) systems by 1986, 500 megawatts by 1989 and 10,000 megawatts by 1999, and the reduction of the average cost of electricity and energy product equivalent produced by installed OTEC systems to a level that is competitive with conventional energy sources by 1993; directs the Secretary of Energy to submit to Congress by June 30, 1980, a plan and program for the conduct of research and development and demonstration programs which meet the established goals for 1986, 1989, and 1993; directs the Secretary to submit, within two years, a comprehensive commercialization plan that will permit realization of the 10,000 megawatt national goal by 1999; establishes a seven-member Ocean Thermal Energy Advisory Committee to study and advise the Secretary with regard to implementation and conduct of OTEC programs and their economic, technological, and environmental consequences; and authorizes for fiscal 1981 $25 million for operating expenses and $15 million to initiate demonstration projects for producing an electrical and energy equivalent capacity of 100 megawatts. S. 1830—Passed Senate January 25, 1980. NOTE: (Provisions are contained in H.R. 7474, which became Public Law 96–310). (VV)

Accelerates ocean thermal energy conversion (OTEC) technology development to provide a technical base for meeting the following goals: (1) to demonstrate by 1986 at least 100 megawatts of electrical capacity or energy product equivalent from OTEC systems and at least 500 megawatts by 1989, (2) to achieve in the mid-1990's for the gulf coast region of the continental United States, an average cost of electricity or energy product equivalent produced by installed OTEC systems that is competitive with conventional energy sources, and (3) to establish 10,000 megawatts of electrical capacity or energy product equivalent from OTEC systems by 1999; directs the Secretary to prepare and transmit to Congress, within nine months of enactment, a comprehensive program management plan for the conduct of research, development, and demonstration activities which meet the established goals in the Act; authorizes the Secretary to initiate and operate a demonstration program utilizing various forms of ocean thermal energy conversion to displace nonrenewable fuels; directs the Secretary to prepare a comprehensive technology application and market development plan that will permit realization of the 10,000 megawatt national goal by 1999 and identify the efforts necessary to establish a sufficient industrial infrastructure and an analysis of necessary government actions; establishes a seven-member Technical Advisory Panel to prepare and submit annually to the Secretary a report containing an assessment and evaluation of the status of the various programs along with its comments and recommendations for improvements in the comprehensive program management plan; and authorizes, in addition to any amounts authorized in the Department of Energy Authorization Act, $20 million for operating expenses and $5 million for OTEC pilot plants for fiscal 1981 and $60 million for operating expenses and $25 million for OTEC pilot plants for 1982. H.R. 7474—Public Law 96–310, approved July 17, 1980. (VV)

Establishes a licensing and permitting system for ocean thermal energy conversion (OTEC) facilities and plantships (defined as a structure or vessel, respectively, which use temperature differences in ocean water while moving to produce electricity or another form of energy to perform work) with the National Oceanic and Atmospheric Administration (NOAA); requires that OTEC facilities and plantships be documented as U.S. vessels, even if they are not built in the U.S. and that vessels delivering materials and supplies to and from OTEC facilities be U.S. flag vessels; amends the Merchant Marine Act of 1936 to make OTEC facilities and plantships eligible for Federal mortgage guarantees under title XI of that Act; establishes, effective October 1, 1981, an OTEC Demonstration Fund as a subfund of the Federal Ship Financing Fund to provide mortgage guarantees on demonstration projects that would not otherwise meet the requirements of title XI and increases the Fund from $10 billion to $12 billion; makes OTEC facilities eligible for capital construction funds and construction and operating differential subsidies; exempts demonstration projects from the licensing provisions contained in the bill; requires the Secretary of Energy, in making a loan guarantee for the construction of a proposed OTEC demonstration project, to certify to the Secretary Commerce that there is sufficient guarantee of performance and payment for such project; and authorizes $3 million for fiscal 1981 and $3.5 million each for 1982 and 1983. S. 2492—Public Law 96–320, approved August 3, 1980. (VV)

Pacific Northwest Power Planning and Conservation: Establishes a procedure under which the Bonneville Power Administration (BPA) is given the authority to acquire power resources from private entities which will be pooled with Federal resources and marketed by BPA in order to meet the electric needs of Northwest consumers; establishes a Pacific Northwest Electric Power Planning Council to prepare and adopt a regional electric power plan to govern most regional conservation efforts and resource acquisitions of the Administrator; makes all BPA power sales subject to the preference and priority provisions of the existing act; requires the Council to develop and adopt comprehensive fish and wildlife programs, based on recommendations for fish and wildlife protection, mitigation and enhancement in and surrounding the Columbia River System; provides that direct-service industrial customers may surrender existing contracts providing low-cost power in order to receive new long-term contracts at higher rates; contains several provisions that could lead to rate reform including authority for BPA to initiate a system of billing credits for retail rate structures that voluntarily implement and induce conservation or consumer-owned renewable resources; and grants the Administrator new authority to acquire resources, including conservation, to meet customer loads subject to development of a regional plan or Congressional approval in the absence of such a plan. S. 885—Public Law 96– , approved 1980. (VV)

Small Business Energy Conservation Loans: Expands the Small Business Administration's (SBA) pollution control bond guarantee program to include guarantees to small business concerns for acquisition of energy conservation facilities including: solar energy equipment, equipment which conserves energy by improving the efficiency of existing equipment or systems that utilize fossil fuels, equipment which produces energy or fuels from wood, coal, waste products, grain, or other biomass sources of energy, cogeneration equipment, hydroelectric power equipment, and equipment to convert wind, geothermal, or tidal energy into electricity or other useful forms of energy; provides guarantee authority of $250 million for fiscal 1981 and $300 million for 1982 to meet the increased needs under the pollution control program and to provide the additional energy conservation program; directs SBA to fix a uniform fee for any guarantee issued to a small business, payable under such conditions as the Administrator provides; clarifies the respective rights of SBA and the holder of a guarantee in the event of a default by a participating small business concern; and restores the provision authorizing SBA to invest nonappropriated idle revolving funds in excess of $15 million in bonds or obligations guaranteed by the Federal Government. S. 2635—Passed Senate May 22, 1980. (VV)

Small Business Solar Energy Loans: Extends, through fiscal 1981, the solar energy direct loan program (section 7(1) of the Small Business Act), which is the only source of government financing for small solar companies; authorizes therefor $45 million in direct and immediate participation loans and $33 million in guaranteed loans; and directs SBA to consult with regional solar energy centers of DOE in evaluating applications for assistance under the program. S. 2224—Passed Senate May 20, 1980. (VV)

Southwest Power Administration: Directs the Department of Energy to defer, until January 1, 2027, repayment to the Treasury and waive interest costs associated with deficits incurred by the Southwest Power Administration (SWPA) due to the 30-year contract entered into in 1952 between SWPA and Arkansas Power and Light Company and Reynolds Aluminum under which SWPA was required to furnish, with a limitation on rate increases, 150 megawatts of power to the power company for resale to the aluminum company; directs SWPA to adjust the power system average rate schedule in accordance with the repayment deferral; and amends the Flood Control Act of 1944 to extend, from 50 to 60 years, the repayment period for power investments for SWPA. S. 1519—Passed Senate September 9, 1980. (VV)

Synfuels—Energy Security: Creates an independent, wholly Federally-owned corporation called the United States Synthetic Fuels Corporation, and establishes national goals for the production of synthetic fuels in the United States of at least 500,000 barrels of crude oil equivalent per day by 1987, increasing to two million barrels per day by 1992; provides that the Corporation shall make available financial assistance to foster commercial production, by private industry, of synthetic fuel which is obtained from coal (including lignite and peat), shale, tar sands (including heavy oil), and hydrogen which can be used as substitutes for natural gas and petroleum (including crude oil, petroleum products and chemical feedstocks); also makes eligible for financial assistance those facilities used solely to produce mixtures of coal and petroleum for direct fuel use, facilities used solely for commercial production of hydrogen from water, and any MHD (magnetohydrodynamic) topping cycle used solely for the commercial production of electricity;

Sets the financial resources available to the Corporation over its 12-year lifetime at a maximum of $88 billion, subject to appropriation, which shall be deposited in the Energy Security Reserve (established by the Interior Appropriations Act, 1980) in at least two installments; authorizes the first $20 bil-

lion installment upon enactment, subject to appropriation; and provides that subsequent installments shall be authorized by joint resolution, subject to appropriation;

Places the initial emphasis of the Corporation's activities on developing experience with differing fuel technologies for domestic production of synfuels while developing the industrial base to undertake achievement of the production goals; requires the Corporation, precedent to subsequent authorizations and appropriations, to submit to Congress within four years a comprehensive production strategy on which Congress must act under expedited procedures; empowers the Corporation to provide financial assistance for commercial synthetic fuel projects in a specified order of priority; provides that before construction of any government-owned contractor-operated (GOCO) synfuel plant, the Corporation must offer right of first refusal to private industry to construct such plant, giving 30 days notice; limits authority for building GOCO's to no more than three projects, prior to approval of the comprehensive strategy; makes Corporation construction projects subject to the environmental impact statement requirements of the National Environmental Policy Act; makes loans and guarantees subject to the Davis-Bacon Act; terminates Corporation authority to obligate funds after December 30, 1992; and terminates the Corporation by December 30, 1997;

Biomass and Alcohol Fuels Urban Waste: Establishes a comprehensive biomass and alcohol fuels program and authorizes $1.2 billion for fiscal 1981 and 1982 therefor; requires the Department of Agriculture (USDA) and the Department of Energy (DOE) to prepare an overall Federal plan for biomass energy development to achieve an alcohol production level of 60,000 barrels per day by the end of 1982, and to submit, by January 1, 1982, a comprehensive strategy to achieve an alcohol production level of at least ten percent of estimated gasoline consumption in 1990; gives the USDA jurisdiction over all projects involving agricultural and forestry resources normally producing less than 15 million gallons of synfuel and gives DOE and the USDA concurrent jurisdiction over agricultural producing over 15 million gallons of synfuel; directs the Federal Government, where feasible, to use gasohol in its motor vehicles, and directs the Secretary of Energy in consultation with the Secretary of Transportation, to submit to Congress a study on whether legislation is needed to require that any new motor vehicle be capable of operating on gasohol or on pure alcohol; establishes a new Office of Energy from Municipal Waste in DOE with responsibility for continuing the existing urban waste program with minimal disruption and reorganization and authorizes $250 million therefor; gives priority funding to commercialization of technologies which can displace oil and gas and which are both technically and economically feasible; provides for financial assistance for construction in the form of loans and loan guarantees not to exceed 75 percent of total capital costs; and authorizes the Secretary to provide price supports with no repayment of principal and interest for new facilities;

Energy Targets: Requires the President to submit annual energy targets (non-binding goals) for net imports, domestic production, and end-use consumption for 1985, 1990, 1995, and 2000; establishes a process for Congress to debate and vote on, and the President to approve, a comprehensive and internally consistent set of energy targets during the first sessions of the 97th and 98th Congresses under expedited procedures during the 97th Congress only;

Omnibus Solar Commercialization Act of 1980: Establishes incentives for the use of renewable energy resources by: (1) directing the Secretary of Energy to coordinate solar and conservation information dissemination activities funded by the DOE and submit annual reports to the Congress on their status, (2) requiring DOE to use a seven percent discount rate and marginal fuel costs in calculating the life cycle costs of conservation and solar investments in Federal buildings, and (3) establishing a three-year pilot program to promote local energy self-sufficiency through the use of renewable energy resources, with a $10 million authorization in fiscal 1981; allows the Federal Energy Regulatory Commission under the Federal Power Act to exempt projects below five megawatts from certain licensing requirements on a case-by-case basis; requires DOE to promulgate regulations to implement the financial assistance programs for small-scale hydro commercialization programs within six months; extends through 1982 the $110 million authorized in the National Energy Act for this purpose;

Solar Energy and Energy Conservation: Establishes, until September 30, 1987, a Solar Energy and Energy Conservation Bank in HUD to make payments to local financial institutions willing to provide below-market rate loans or a principal reduction on loans to borrowers for solar and conservation improvements; gives the Bank the same corporate powers as the GNMA, and provides that it be governed by a Board of Directors, composed of the Secretaries of HUD, Energy, Treasury, Agriculture and Commerce, and establishes Advisory Committees on Solar Energy and Energy Conservation to assist it; authorizes $2.5 million for fiscal 1981 through 1984 for conservation purposes and $525 million for 1981 through 1983 for solar purposes of which up to $10 million in fiscal 1981 and $7.5 million in 1982 and thereafter would be available annually out of each appropriation to promote the solar and conservation loan programs;

Residential Energy Conservation Grants: Establishes a Residential Conservation Office in DOE to supervise a State-run grant program in which the Federal Government would share the cost of residential energy conservation measures and reserves up to 15 percent of the funds authorized for conservation under the Solar Energy and Energy Conservation Bank;

Residential Energy Efficiency Program: Authorizes DOE to establish a program to ascertain the conservation effectiveness of contracting with private companies to conduct systematic residential audits and install energy conservation measures throughout defined geographic areas; and authorizes $10 million for fiscal 1981 and 1982 for demonstration projects;

Energy Auditor Training and Certification: Authorizes $10 million in fiscal 1981 and $15 million in 1982 to the Secretary of Energy for grants to States to support training and certification of energy auditors of residential and commercial buildings;

Industrial Energy Conservation: Authorizes not to exceed $40 million each for fiscal 1981 and 1982 (which is in addition to funds authorized in other measures) to the Secretary of Energy to accelerate research, development, and demonstration of energy productivity for high pay-off Industrial Conservation Demonstration projects under the existing DOE program;

Weatherization Grant Program: Limits administrative expenses of the low-income weatherization assistance program already authorized to not more than ten percent of any weatherization grant and provides that not more than one-half of this amount may be used by any State for this purpose; authorizes DOE to increase the $800-per-dwelling-unit-limit to not more than $1,600 to secure installation of weatherization materials where the Secretary determines that an insufficient number of volunteers, training participants, and public service employment workers are available; increases from $100 to $150 the limit on the cost of making incidental repairs necessary to installation of weatherization materials; gives the Community Action Agency preference to continue managing a weatherization program where it has demonstrated the program is effective but otherwise repeals their authority in this area;

Geothermal Act of 1980: Establishes financial assistance programs in DOE to: (1) promote exploration and confirmation of geothermal reservoirs for which a total of $85 million is authorized in Federal loans and loan guarantees for fiscal 1981 through 1985; (2) provide for feasibility studies for which $5 million is authorized in fiscal 1981; and (3) construct specific geothermal projects for which authorization is deferred until fiscal 1982; directs DOE to conduct a reservoir insurance study in cooperation with the insurance and reinsurance industry;

Acid Precipitation Act of 1980: Authorizes $5 million to establish an Interagency Task Force (chaired jointly by the Administrators of the National Oceanic and Atmospheric Administration (NOAA) and the Environmental Protection Agency and the Secretary of Agriculture) to conduct a comprehensive ten-year research program to identify the causes and effects of acid precipitation; sets an overall ceiling of $45 million on the program;

Carbon Dioxide Study: Authorizes $3 million for a comprehensive study on the projected impact of fossil fuel combustion, coal conversion, and related synfuels activities on the level of carbon dioxide in the atmosphere and report thereon to Congress within three years;

Strategic Petroleum Reserve: Requires the Federal Government to commence filling the Strategic Petroleum Reserve (SPR) at a minimum average rate of 100,000 barrels per day; and requires, with certain exceptions, that, if this fill rate is not achieved, any production from Elk Hills and Teapot Dome Naval Petroleum Reserves must be sold or exchanged so as to be stored in the SPR. S. 932—Public Law 96-294, approved June 30, 1980. (*228)

Underground Coal Gasification and Unconventional Gas: Establishes several national goals for underground coal gasification and unconventional natural gas production, as follows: (1) the demonstration of a production capacity equivalent to at least 15 million cubic feet per day of synthetic natural gas or energy product equivalent from underground coal gasification by 1987, (2) the construction and operation of at least one commercial underground coal gasification plant by 1992, (3) the establishment of a production capacity equivalent to two trillion cubic feet per year of natural gas from underground coal gasification by the year 2000; and (4) the production of three trillion cubic feet per year of unconventional natural gas by 1990 and six trillion cubic feet per year by 2000; requires the Secretary to prepare and transmit to Congress by January 30, 1981, a comprehensive program management plan to achieve the introduction of underground coal gasification and unconventional natural gas recovery activities in time to achieve the national production goals; authorizes the Secretary to undertake the necessary research and development activities to develop applicable technologies for commercialization in the industry; and authorizes for fiscal 1981, funds appropriated pursuant to the authority of the Department of Energy authorization for civilian programs, and, for fiscal 1982, an additional $100 million including not less than $25 million for underground coal gasification activities. S. 2774—Passed September 24, 1980. (VV)

Vessel Tonnage—Strip Mining: Extends to small commercial vessels (under 24 meters) the option of using the simplified tonnage

procedures now used by pleasure vessels; removes the requirement that States comply with Office of Surface Mining regulations except with regard to prime farm land and alluvial valleys, but leaves intact the requirement that States comply with the Surface Mining Act of 1977; extends until October 3, 1981, the deadline for approval or disapproval of a State plan, and until June 3, 1982, the deadline for industry compliance with the State plan; requires the Secretary of Interior to act on a State's reclamation plan for non-Federal land before a reclamation policy for Federally-owned lands in any State may be finalized; and gives State officials primary responsibility for mine inspection but provides that Federal inspectors would assume this responsibility where a State reclamation plan has been disapproved by the Secretary of the Interior. H.R. 1197—Passed House September 17, 1980; Passed Senate amended August 22, 1980; In conference. (*378)

Waste Oil Recycling: Amends the Solid Waste Disposal Act to encourage the consumer to return used lubricating oil to a collection point by requiring that all containers of such oil bear the label "Don't Pollute—Conserve Resources; Return Used Oil to Collection Centers"; establishes an interim rule relating to labeling requirements established by the Federal Trade Commission which would in effect repeal the so-called "used oil rule" that requires recycled oil to bear a label indicating the fact that it is "made from previously used oil" or is "a recycled petroleum product"; incorporates a discretionary oil recycling grant program into the existing State solid waste planning process under subtitle D of the Resource Conservation and Recovery Act (RCRA) to assist States in developing their programs and authorizes therefor $5 million annually for fiscal 1982 and 1983; authorizes the Administrator of EPA to provide technical assistance to States in addressing economic and institutional impediments to the recycling of used oil; requires the Administrator to (1) promulgate regulations one year after enactment establishing requirements and standards for the recycling of used oil and to protect the public health and environment, and (2) 90 days after enactment to determine whether used oil is subject to the hazardous waste requirements under RCRA; and calls for a cooperative study with EPA, FTC, and the Departments of Energy and Commerce on the environmental concerns, collection cycle, supply and demand for lubricating oil, and energy savings associated with recycling used oil and to make recommendations regarding methods of Federal, State, and local governments to encourage recycling of used oil. S. 2412—Public Law 96-463, approved October 15, 1980. (VV)

Wind Energy Conversion: Authorizes $100 million to the Secretary of Energy for fiscal 1981 to promote the development and commercialization of wind energy systems which would provide up to 800 megawatts of electric power by 1989 of which at least 100 megawatts are provided by small wind energy systems; directs the Secretary to prepare and transmit to Congress, within nine months of enactment, a comprehensive management plan for the conduct of research, development, demonstration, and technology applications activities; directs the Secretary, in preparing the plan, to utilize the conference committee estimates of costs and the number of wind energy systems units to be provided for in formulating the eight-year program and requires that the plan be updated annually as part of the President's budget to Congress; directs the Secretary to initiate or accelerate ongoing research and development in areas in which the lack of knowledge limits the widespread utilization of wind energy systems and to provide Federal funds for activities leading to the testing of prototypes of advanced wind energy systems; directs the Secretary to establish a technology application program to achieve cost reductions for wind energy systems through mass production and determine the operation and maintenance costs through operational system experience; authorizes the Secretary to provide financial assistance to public or private entities wishing to utilize wind energy systems; directs the Secretary, within six months, to establish a cost sharing program whereby a public or private entity can apply and receive a loan for up to 75 percent of the total purchase and installation cost of a wind energy system; authorizes the Secretary to provide funds for the accelerated procurement and installation of wind energy systems by Federal agencies; authorizes the Secretary to initiate a three-year national wind resource assessment program which will validate existing assessments of known wind resources, initiate the wind site prospecting program and establish a wind data center with the assistance of NOAA and EPA; establishes priorities for program selection; requires the Secretary to monitor the performance, collect and evaluate data from, and carry out studies and evaluations of wind energy systems installed under this legislation and to maintain liaison with industry and the technical community; directs the Secretary to initiate studies on the Federal applications of wind energy systems at Federal facilities, and to evaluate the actual performance of such system in various applications; requires DOE to encourage small business participation in the program and directs the Secretary to assure compliance with the antitrust laws and provide a competitive wind energy systems manufacturing industry; and permits the Secretary to carry out wind energy projects and activities in addition to those specified. H.R. 5892—Public Law 96-345, approved September 8, 1980. (VV)

Windfall Profit Tax: Imposes a $227.7 billion windfall profit tax, a temporary excise or severance tax, on taxable crude oil produced in the United States according to its classification in one of three tiers; derives the tax by multiplying the appropriate tier tax rate times the windfall profit which is defined as the difference between the actual selling price of the oil and its base price (with a deduction for State severence taxes on the windfall profit); taxes tier 1 (oil discovered prior to 1979 that would have been controlled as lower or upper tier oil had price controls remained in effect) at 70 percent with a base price at the May 1979 upper tier ceiling price (which averages $13.02 per barrel) less $.21, adjusted for inflation; includes production from the Sadlerochit Reservoir on the Alaskan north slope in this tier; taxes tier 2 (oil from stripper wells and a national petroleum reserve) at 60 percent with a base price of $15.20 per barrel adjusted for inflation and differences in quality and location; taxes tier 3 (newly discovered oil, certain heavy oil, or incremental tertiary oil) at 30 percent with a base price of $16.55 per barrel adjusted for inflation plus two percent and for differences in quality and location; allows independent producers a reduced tax rate on up to 1,000 barrels per day of qualifying tier 1 oil at 50 percent and tier 2 oil at 30 percent; exempts from the tax State and local governments, certain charitable medical facilities and educational institutions, and Indian tribes; exempts new oil produced in most of Alaska and front-end tertiary oil; limits the windfall profit subject to tax to 90 percent of net income from property with qualified tertiary injectant expenses being capitalized; makes the windfall profit tax deductible as a business expense; for purposes of computing percentage depletion, gross income from the property is not reduced by the windfall profit; phases out the entire windfall profit tax over a 33-month period after December 31, 1987, (but no later than December 31, 1990), or when cumulative revenues raised by the tax reach $227.3 billion, whichever is later; and makes the tax effective for production after February 29, 1980;

Residential Energy Tax Credits: (Estimated cost of $600 million for 1980–1990) Increases the existing tax credit for residential solar energy property to 40 percent of the first $10,000 of expenditures and makes additional kinds of property eligible for that credit; adds specific standards for the Secretary of the Treasury to use when exercising the authority to add items to the list of property eligible for the home insulation and solar energy tax credits;

Business Energy Tax Incentives: (Estimated cost of $8.086 billion for 1979–1990) Increases to 15 percent and extends through 1985 the energy investment credit for solar, wind, and geothermal equipment, as well as the solar credit to equipment used to provide process heat; provides a 15 percent energy credit for certain ocean thermal equipment; provides an 11 percent energy credit for small-scale hydroelectric equipment; provides a ten percent energy credit through 1982 for cogeneration equipment not fueled by oil or gas; sets specific standards for the Secretary of the Treasury to use in exercising the existing authority to add items to the list of property eligible for the business energy credits; restores the regular investment credit and accelerated depreciation to boilers using petroleum coke and pitch; contains a ten percent energy credit through 1982 for coke ovens; extends through 1985 the energy credit for certain biomass and gasohol equipment; contains a ten percent energy credit through 1985 for certain intercity buses with increased seating capacity; contains a transition rule for energy credits expiring in 1982 to allow those credits through 1990 where affirmative commitments have been made; provides a $3 per barrel credit for the production of various alternative energy sources; extends through 1992 the excise tax exemption for gasohol, along with various other tax incentives for gasohol; exempts industrial development bonds used to finance small-scale hydroelectric equipment, certain solid waste disposal facilities, and certain renewable energy programs; and allows expensing of injectants used in teritiary oil recovery;

Low-Income Energy Assistance: Authorizes $3.115 billion for fiscal 1981 for a program of block grants to the States to provide assistance to lower-income families for heating and cooling costs; restricts eligibility to households which have incomes less than the Bureau of Labor Statistics (BLS) lower living standard which in 1979 was $11,600 on a national average for a family of four; allows States to give assistance, regardless of income, to households which receive food stamps, AFDC, needs-tested veterans' pensions, or SSI with certain exceptions; allots by formula 95 percent of the total amount appropriated to the 50 States and the District of Columbia, and reserves five percent for the territories, the Community Service Administration's crisis intervention program ($100 million), and matching incentive grants for State initiatives under this program; provides that the basic formula will allot half of the funds according to a State's aggregate residential energy expenditure (relative to the total for all States), and half according to heating degree days squared, weighted by the number of households below the BLS lower living standard; provides that a State allotment shall be large enough to provide at least $120 per year to each AFDC, SSI, and food stamp household in the State; provides further that no State shall receive less than the lower of the amounts it would have received under either of two alternative formulas; authorizes $25 million to meet the additional costs resulting from the applica-

tion of the minimum benefit provision to certain States; requires each State to submit an energy assistance plan, which would be subject to approval by the Secretary of Health, Education, and Welfare; and provides that any assistance provided under this Act could not be counted as income or resources under any Federal, State, or local program of assistance or taxation;

Disposition of Windfall Profit Tax Revenue: Provides that the net revenues from the windfall profit tax be allocated only for the following specific purposes to a separate account at the Treasury: (a) Aid to Lower-Income Households—25 percent of net revenues; provides that for fiscal 1982 and subsequent years these funds shall be divided equally between the program to assist AFDC and SSI recipients and a program of Emergency Energy Assistance; (b) Individual and Corporate Income Tax Reductions—60 percent of net revenues for tax cuts to help taxpayers cope with higher energy prices; and (c) Energy and Transportation Spending Programs—15 percent of net revenues;

Other Income Tax Provisions: Repeals the carryover basis provisions enacted in 1976 regarding estate tax law under which the taxable base for appreciation on an inherited asset is valued at the time of its acquisition by the decedent rather than at the time it is inherited; allows a $200 exclusion for interest and dividends ($400 for married couples) effective for tax years 1981 and 1982; and modifies the LIFO inventory accounting rules; and

Oil Imports: Denies the President the authority to impose oil import quotas if Congress passes a joint resolution disapproving such a quota, with a right of veto which could be overridden by a two-thirds vote of both Houses. H.R. 3919—Public Law 96-223, approved April 2, 1980. (496, *67)

Wood Utilization: Authorizes the Secretary of Agriculture, in order to utilize available forest resources for the production of energy and other wood products, to establish and operate pilot projects and demonstrations to encourage the efficient utilization of wood and wood residues which may include development and operation of wood utilization and demonstration areas where wood residues have accumulated, development and establishment of fuelwood concentration and distribution centers, and construction of access roads; authorizes therefor $50,000 annually for fiscal 1982 through 1986; authorizes the Secretary to establish a pilot wood utilization program using "residue removal incentives" to pay purchasers of national forest system timber for their costs in removing wood residues from timber sale areas to points of prospective use; and requires the Secretary to submit annual reports to Congress on the pilot wood utilization program. S. 1996—Passed Senate March 25, 1980; Passed House amended August 18, 1980; In conference. (VV)

ENERGY—NUCLEAR

High Level Nuclear Waste Management Project, New York: Authorizes $5 million for fiscal 1981 for the Secretary of Energy to establish a project to solidify the high-level liquid nuclear waste currently stored in tanks at the Western New York Service Center in West Valley, New York, and to transport the waste to a long-term Federal repository; requires decontamination of the facilities used in the project; directs the Secretary to enter into contracts and cooperative agreements with the State of New York for joint conduct of the project; requires the Secretary to consult with the Nuclear Regulatory Commission and other agencies in developing a plan to carry out this project, prepare required environmental impact statements, and hold public hearings to keep residents in the vicinity of the project informed of activities; insures that the Federal Government does not take title to the West Valley nuclear wastes until they have been processed for final disposal; and requires the Secretary to submit annual reports to Congress including a detailed description of activities. S. 2443—Public Law 96-368, approved October 1, 1980. (VV)

International Atomic Energy Commission Agreement: Approves the submission of the President of the Second Amendment to the Agreement for Cooperation Between the International Atomic Energy Agency and the United States of May 11, 1959, in Vienna, Austria, on January 14, 1980, and transmitted to Congress on February 1, 1980, which brings the Agreement into conformity with the requirements of the 1978 Nuclear Non-Proliferation Act. S. Con. Res. 88—Senate agreed to April 28, 1980. (VV)

Low-Enriched Uranium Exports: Authorizes the Administration to waive an existing ceiling established in any bilateral agreement on the U.S. export or transfer of low-enriched uranium fuel to states party to the Treaty on the Non-Proliferation of Nuclear Weapons. S.J. Res. 89—Public Law 96-280, approved June 18, 1980. (VV)

Milner Dam Hydroelectric Project: Exempts the existing privately-owned Milner Dam, in Idaho, the irrigation canal segment between the dam and the proposed penstock, and other irrigation features from section 14 of the Federal Power Act which permits the U.S., upon expiration of the license, to take over the project in order that the owners may proceed with their plans to develop a new hydroelectric project without the threat of a Federal takeover. S. 1828—Public Law 96- , approved 1980. (VV)

Nuclear Cooperation Agreement With the United Kingdom: Approves the submission of the President containing the text of the amendment to the Agreement Between the United States and the United Kingdom of Great Britain and Northern Ireland for Cooperation on the Uses of Atomic Energy for Mutual Defense Purposes of July 3, 1958, signed on December 5, 1979, and transmitted to the Congress on November 28, 1979, which extends for an additional five years, until December 31, 1984, the authority of the United States to transfer nonnuclear parts, source, byproduct, special nuclear material and other material for nuclear weapons, and special nuclear material for fueling military propulsion reactors to the United Kingdom. S. Con. Res. 77—Senate agreed to February 27, 1980. (VV)

Nuclear Reactor Safety: Provides for an accelerated program of light water nuclear reactor safety research and development, to be carried out by the Department of Energy. H.R. 7865—Passed House August 25, 1980; Passed Senate amended September 26, 1980. (VV)

Nuclear Regulatory Commission Authorizations: Authorizes $426.51 million for fiscal 1980 for the Nuclear Regulatory Commission (NRC) which includes $6.51 million for nuclear reactor regulation, $42.44 million for inspection and enforcement, $15.953 million for standards development, $32.38 million for nuclear material safety and safeguards, $213.005 million for nuclear regulatory research, $18.125 million for program technical support, and $33.408 million for program direction and administration; provides a reprogramming mechanism applying to any reallocation resulting in increasing or decreasing the amount allowed for an office by more than $500,000 which requires prior notification to the appropriate Congressional committees; contains $9,675,000 for the nuclear waste management program including funds to support five additional positions to implement the Uranium Mill Tailing Radiation Control Act of 1978 (Public Law 95-604), $6.7 million for nuclear waste activities within the Office of Nuclear Regulatory Research, $4.4 million to continue the program of research into improved safety systems for nuclear power plants, and $3.7 million for acceleration of gas-cooled thermal reactor safety research; adds $400,000 for eight additional positions in the Division of Contracts, Office of Administration, to address contract monitoring and close out deficiencies at NRC; requires the establishment of a Senior Contracts Review Board to review and approve all arguments with other Federal agencies, all contracts for research services, and modifications to existing contracts and arrangements, in amounts greater than $500,000 and requires NRC approval for amounts greater than $1 million;

Directs NRC to expand its resident inspector program to require one inspector at each operating reactor unit and at each unit undergoing pre-operational testing in addition to an inspector assigned at each facility site; calls for a GAO study of the advantages of expanding the resident inspector program and/or of expanding the regional inspection program; requires NRC to promulgate demographic requirements within 180 days for the siting of nuclear facilities; prohibits issuing of any construction permit that does not comply with the siting regulations and

Amends the Atomic Energy Act of 1954 to increase from $5,000 to $10,000 the amount of civil penalty which may be imposed for a single violation and to eliminate the $25,000 ceiling on the amount of penalty which may be assessed for continuing violations; extends criminal penalties to any individual who knowingly and willfully violates NRC safety standards that govern construction or operation of a nuclear plant,

unless NRC is satisfied that the State emergency response plan for that facility adequately protects the public health and safety; requires NRC approval of State emergency plans of existing nuclear facilities or face an order directing the shut-down of plants; directs NRC to promulgate minimum requirements for State plans and, pending promulgation of these requirements, to rely on the guidelines employed in the voluntary concurrence program in assessing the adequacy of State plans; requires NRC to implement measures to safeguard the public health for facilities without approved State plans; directs NRC, within six months, to promulgate by rule a plan for responding to an "extraordinary nuclear occurrence", as defined in the Atomic Energy Act; requires the President to prepare, publish, and periodically revise, a national contingency plan to protect the public health and safety in case of extraordinary nuclear occurrence; provides that implementation of the plan be triggered by an NRC determination of a possible or actual extraordinary nuclear occurrence which would also trigger its own plan to be regarded as conclusive; requires incorporation of NRC's emergency response plan into the national plan;

Amends the licensing requirements of the Atomic Energy Act to require immediate NRC notification by a plant operator in the event or likelihood of an extraordinary nuclear occurrence and provides that failure to give such notification could result in revocation of an operating license; directs NRC to establish a means for instant communication with a nuclear power plant during an emergency and, within 90 days, to prepare and transmit to Congress a plan for remote and instantaneous NRC monitoring of the principal safety instruments and radiation monitors at all nuclear power plants;

Mandates a comprehensive study to explore the deficiencies in communications encountered by the various NRC officials, licensee officers and personnel, and the Governor and other State officials in the 30-day period following the March 28, 1979, accident at the Three Mile Island unit 2 nuclear generating facility in Pennsylvania which

shall include a determination of the need for improved procedures and for advanced technology; requires submission of a report by January 1, 1980, on the findings of the investigation and study including recommendations of any measures necessary to provide for expeditious and reliable communications in the event of a future accident at a nuclear generating facility; provides that each recommendation not requiring new legislation be implemented as soon as practicable as well as included in NRC's emergency response plan;

Directs NRC to submit to Congress: (1) a plan including criteria for improved training, retraining, and licensing programs for reactor operators which emphasizes emergency response training and direct attention to assure that the plant is operating in accordance with the requirements of its license, and (2)) a feasibility study of licensing plant managers and other utility personnel who have authority to make operating decisions affecting the plant;

Amends Public Law 95-601, the fiscal 1979 NRC Authorization Act, to require NRC and EPA, in consultation with the Secretary of HEW, to expand the feasibility study of epidemiological research to include populations exposed to low levels of radiation during and after the Three Mile island accident and individuals exposed during ultimate decontamination, decommissioning, or repair of the facility; extends the final reporting date from September 30, 1979, to September 30, 1980;

Requires NRC to promulgate regulations providing State notification prior to transport of nuclear waste within its borders; provides the NRC with certain authority for temporary suspension of agreements in emergency situations; and prohibits the use of funds for disposing nuclear wastes in the oceans. S. 562—Public Law 96-295, approved June 30, 1980. (178)

Authorizes $445.1 million for salaries and expenses of the Nuclear Regulatory Commission (NRC) for fiscal 1981 which includes: $68,775,000 for the nuclear reactor regulation program; $53,049,000 for inspection and enforcement activities; $15,730,000 for standards development; $41,930,000 for nuclear materials safety and safeguards; $210,208,000 for nuclear regulatory research; $18,511,000 for program technical support; and $36,879,000 for program direction and administration; provides a reprogramming and $36,897,000 for program direction and mechanism which applies to any reallocation of funds between program offices by more than $500,000; requires NRC to develop a safety goal for nuclear reactor regulation to assure protection of public health and safety and to conduct a study on the ability of strategic analysis techniques to enhance the safeguarding of nuclear materials; earmarks $500,000 for NRC to coordinate and conduct a monitoring engineering assessment and remedial action program for the management of uranium mill tailings in the area surrounding the Edgemont, South Dakota, uranium mill site; requires the Administrator of EPA to propose, within 60 days of enactment, standards of general application for the protection of the public health, safety, and the environment of hazards associated with uranium mill tailings; calls for a report on the preliminary planning which includes a detailed description of the remedial action required for each location and a cost estimate cost, within 120 days of enactment; requires NRC to report on the progress of the monitoring, engineering assessment, and remedial action program in its annual report; directs NRC to allocate $2.8 million in the research program for gas-cooled reactor safety research in fiscal 1981 and $19.7 million for fast breeder reactor safety research if legislation is enacted appropriating funds in fiscal 1981 for a Department of Energy demonstration breeder reactor project; amends the Atomic Energy Act of 1954 to extend criminal penalties to any individual who willfully and intentionally causes or attempts to cause a mechanical interruption of normal operation of a nuclear powerplant or nuclear waste storage facility; and directs the Comptroller General, in cooperation with NRC, to carry out a detailed study of the fiscal conditions of the General Public Utilities Corporation (which owns and is responsible for the operation of the nuclear powerplant at Three Mile Island) and its future role as a provider of electrical power in Pennsylvania and New Jersey. S. 2358—Passed Senate July 31, 1980. (VV)

Nuclear Waste Policy: Establishes a Federal program for the interim storage of spent nuclear fuel away from the reactor; authorizes the Secretary to enter into contracts to take title to and transport spent fuel to interim away-from-reactor storage facilities and to dispose of waste products associated with the spent fuel; requires the Secretary to publish in the Federal Register, within 180 days of enactment, notice of intent to enter into contracts; requires the Secretary to establish a one-time charge for spent fuel storage on an annual basis and publish the charge and the calculation upon which it is based in the Federal Register; directs the Secretary to acquire the storage facility which is licensed and has sufficient capacity to accommodate all spent fuel contracted for; authorizes, for the construction of the storage facility, the use of funds authorized for a similar facility under the fiscal 1980 Department of Energy authorization legislation and funds authorized or appropriated to the Secretary of Energy for such facilities under previously enacted laws;

Requires the Secretary to submit to Congress, within one year of enactment, a site-specific proposal for the disposal of spent fuel and high-level radioactive waste in repositories permitting continuous monitoring and retrieval of the waste; requires an environmental assessment to be prepared to accompany the proposal;

Provides the States with statutory rights to participate in the Federal (DOE) nuclear waste repository development program; requires DOE to file three key reports with Congress for review; provides a mechanism for a one-House veto if either House disapproves by concurrent resolution a repository proposal or a two-House veto with regard to military nuclear waste facilities; requires DOE, in consultation with other Federal agencies, to prepare an annual nuclear waste management plan for fiscal 1982-86; establishes by statute an Advisory State Planning Council on Nuclear Waste Management as a means of participation by States, localities and Indians in all major facets of Federal nuclear waste policymaking and planning activities;

Directs the continuation and acceleration of a vigorous program of research and development on a broad range of radioactive waste disposal technologies;

Establishes a separate account in the Treasury to receive all funds for the administration of the interim and long-term storage facility, including transportation, and provides that the appropriations for the facility, borrowings for the subsequent operation of the program, as well as receipts and charges collected pursuant to the program, shall be covered in the account;

Directs the Secretary to submit a report to the Congress within four months evaluating several specific matters and making recommendations with respect to low-level radioactive waste; and authorizes DOE to provide financial and technical assistance to States to carry out a Federal policy under which each State is responsible for disposal of low-life radioactive waste generated by non-Federal related activities within its borders and authorizes States to enter into agreements for regional management and disposal of such waste. S. 2189—Passed Senate July 30, 1979. (*329)

ENVIRONMENT

Alaska Lands: Provides for the designation of 104.1 million acres of Federal land in Alaska for protection of their resource values under permanent Federal ownership and management (compared to 128 million acres in the House-passed bill), of which 56 million acres are designated as wilderness (compared to 67 million in the House bill);

National Park System: Designates 24.6 million acres as new parks and 19 million acres as preserves, including: Gates of the Arctic, 7 million acres of park and one million acres of preserve; Noatak, 6.4 million acres of preserve; Wrangell-St. Elias, 8.1 million acres of park and 4.2 million acres of preserve; Katmai, 1 million acres of park and 308,000 acres of preserve; Denali, 2.4 million acres of park and 1.3 million acres of preserve;

National Wildlife Refuge System: Establishes or expands 14 management units from the National Wildlife Refuge System totaling 54 million acres (compared to 80 million acres in the House bill) and sets out specific rules for management and use of these areas; includes: Yukon Flats, 8.6 million acres; Arctic Refuge, 9.2 million acres; Togiak Refuge, 500,000 additional acres; Yukon Delta, 13.4 million acres; Nowitna, redesignated as a wildlife refuge; contains provisions for a possible trade between the State and the Federal Government for lands within the Tetlin Refuge;

National conservation areas: Establishes 2 national conservation areas totaling 2.2 million acres and 1 national recreation area of 1 million acres, to be administered by the Secretary of the Interior through the Bureau of Land Management; sets out specific rules for management and use of these areas;

National Forest System: Designates a 2.3 million acre Misty Fjords National Forest Monument in the Tongass National Forest, and a 920,000 acre Admiralty Island National Monument, with the Green Creek mineral deposit inside the Monument but excluded from wilderness; permits the use of the land for navigation aids and docking and transfer facilities with regard to U.S. Borax mining operations in the Quartz Hill molybdenum deposit; sets out specific rules for management and use of these areas, and makes provisions for specific mining operations;

National Wild and Scenic Rivers System: Designates 25 rivers or river segments as components of the Wild and Scenic Rivers System and designates 12 rivers for study for possible inclusion in the system; provides a one-half mile corridor for the component rivers, and a two-mile corridor withdrawal for rivers designated for study (compared to a two-mile corridor for both in the House bill);

National Wilderness Preservation System: Designates 56 million acres as part of the National Wilderness Preservation System;

Subsistence management and use: Recognizes the importance of subsistence use of fish, wildlife, and other resources by many Alaskans; establishes a statutory preference for subsistence resource use over other uses including sport hunting and fishing; establishes a specific statutory program to assure that the preference is implemented under State regulation and management; opens several new parks for subsistence purposes, including Wrangell, Lake Clark, McKinley additions, and Aniakchak;

Alaska Native Claims Settlement Act and Alaska Statehood Act: Provides for conveyance of Federal lands to Alaska Natives and the State of Alaska so as to fulfill the land grants made under the Alaska Native

Claims Settlement Act and the Alaska Statehood Act; amends the Native Claims Act to simplify its administration and assure that Native Alaskans receive full benefits which the Congress intended in the original law; authorizes a number of specific selections which will benefit both the natives and the Federal Government;

Federal north slope lands study program: Recognizes the unique combination of wilderness, wildlife, and oil and gas values on the Alaska North Slope by directing a special study of all Federal lands in the area, except the National Petroleum Reserve-Alaska, to assure that all elements of resource use and preservation will be presented to Congress at the same time; includes a special oil and gas exploration program for the Arctic National Wildlife Range, an oil and gas leasing program for non-North Slope Federal lands and a mineral resource assessment program; and prohibits seismic testing within 2 years of enactment;

Access for transportation and utility systems. Establishes a special procedure for allowing access for transportation and other purposes across and into conservation system units; recognizes the need to balance protection of the resources and the need for access to permit development of Federal, State, and private lands not included in such units;

Federal-State cooperation: Establishes an Alaska Land Use Council as an innovative vehicle for Federal and State cooperation in the management of Federal and State lands; authorizes special cooperative agreements for wildlife refuges and designates the Bristol Bay Cooperative Region as a unique experiment in Federal-State cooperation;

National need mineral activity recommendation process: Establishes a special procedure under which the President, with Congressional approval, can permit mineral exploration, development and extraction which is prohibited under existing law, but may be needed to meet future national needs. H.R. 39—Public Law 96-487, approved December 2, 1980. (*359)

Clean Water: Extends through fiscal 1982 the following programs under the Clean Water Act at a total authorization of $489,197,000 for 1981 and $50,270,000 for 1982: grants for investigations and information gathering; grants for manpower development and training of sewage treatment works operators; grants to develop and maintain a system for forecasting the supply and demand for waste treatment professionals; grants to States and interstate agencies to assist in the administration of programs for the prevention, reduction and elimination of pollution; grants to and contracts with undergraduate courses in the design, operation, and maintenance of treatment works, together with the award of EPA scholarships; grants for developing and operating areawide waste treatment management planning processes; authority for the rural clean water program; grants to States for classification of the water quality of lakes and development of methods to control the pollution of lakes and restore their water quality; and general administration of those provisions of the act which are not otherwise specifically funded; repeals effective November 1, 1981, the industrial cost recovery provision of the act; contains a provision concerning reimbursement to municipalities that utilize their own resources to construct a municipal waste water facility which is designed to facilitate its implementation while assuring that the amount of the reimbursement will not exceed a State's allotment and that the project for which reimbursement is sought is on an approved State priority list; increases the construction costs limitations applicable to the combined grant procedure for small projects to $4 million, and to $5 million in a State with unusually high costs of construction; grants a one-year extension during which States may obligate fiscal 1979 Federal Water Pollution Control Act funds; authorizes a lower Federal percentage of Federal grant assistance throughout a State when approved by the Governor of the State; provides that not to exceed $20 million of construction grant funds may be utilized for the cleanup of PCB's from the bottom sediment of the Hudson River in New York; authorizes a demonstration program under which grants will be made to States to clean up abandoned mines for use in hazardous wastes disposals and specifically requires that such projects be undertaken in the States of Ohio, Illinois, and West Virginia; and provides that the two percent of the construction grant funds that may be used by a State for program administration be based on the authorized grant amount rather than the amount appropriated. S. 2725—Public Law 96-483, approved October 21, 1980. (*254)

Climate program: Extends, through fiscal 1983, the National Climate Program Act to continue the climate-related activities of the National Climate Program Office within the Department of Commerce; and authorizes therefor $25.5 million for fiscal 1981, $39.1 million for 1982, and $43.7 million for 1983. S. 1391—Passed Senate August 27, 1980; Passed House amended October 1, 1980. (VV)

Earthquake hazard reduction: Extends through fiscal 1981 the Earthquake Hazard Reduction Act of 1977 and authorizes therefor $9.6 million to the Federal Emergency Management Agency, $32.484 million, to the United States Geological Survey, and $26.6 million to the National Science Foundation so that they may continue their ongoing programs aimed at reducing the risks to life and property from earthquakes and other hazards through means of prevention and preparedness; and authorizes $23.814 million for the purposes of the Federal Fire Prevention and Control Act for fiscal 1981. S. 1393—Public Law 96-472, approved October 19, 1980. (VV)

Endangered species: Extends through fiscal 1982 and authorizes a total of $12 million for the section 6 State grant-in-aid program under the Endangered Species Act of 1973 which includes the remaining $4 million of the $16 million previously authorized under Public Law 96-212. H.R. 6839—Public Law 96-246, approved May 23, 1980. (VV)

EPA authorizations: Authorizes a total of $379,492,000 for the environmental research and development programs conducted by the Environmental Protection Agency for fiscal 1980 as follows: $66,659,000 for water quality research, $9,638,000 for pesticide research and demonstration, $26,919,000 for drinking water research and demonstration of which $4 million is for a new program for groundwater research and development, $30,977,000 for toxic substances research, $2,930,000 for radiation research, $103,461,000 for energy related research, $71,963,000 for air quality programs of which $46,624,000 is for the health and ecological effects program, $10,243,000 for research and development on solid waste, $500,000 for noise control, and $25,449,000 for intermedia activities; requires an annual report on EPA's budget request and other activities; and authorizes EPA to be reimbursed for costs incurred when it allows its facilities to be used by an outside organization. H.R. 2676—Public Law 96-229, approved April 7, 1980. (VV)

Authorizes a total of $368,702,000 for the environmental research and development programs conducted by the Environmental Protection Agency for fiscal 1981 as follows: $70,167,000 for air quality and research; $62,522,000 for water quality research which includes funding for a joint project by EPA and the Department of Agriculture to evaluate methods of reducing agricultural runoff and consequent pollution and soil losses and for cold climate research to continue activities formerly conducted by the Arctic Laboratory in Fairbanks, Alaska; $27,447,000 for drinking water research and demonstration which includes a new initiative for development of cost-effective processes for small drinking water systems; $9,435,000 for research and development activities under the Federal Insecticide, Fungicide and Rodenticide Act; $3,181,000 for radiation research; $26,446,000 for solid waste research and development which reflects new emphasis on research to support efforts to clean up hazardous waste disposal sites; $36,895,000 for toxic substances research; $22,844,000 for interdisciplinary research; $105,099,000 for energy research and development and recommends a level of $500,000 for the first half of a study of the adverse health and ecological effects of uranium mining wastes and control measures for uranium mining wastes; and directs EPA to issue regulations providing for access by EPA officials or contractors to privately-operated oil shale projects on Federally-owned land for the purpose of conducting reasonable and legitimate research on the environmental effects of oil shale operations. S. 2726—Passed Senate May 22, 1980; Passed House amended December 1, 1980. (VV)

Marine protection: Extends for one year, through fiscal 1981, title III of the Marine Protection, Research and Sanctuaries Act of 1972 which provides for the designation of marine sanctuaries to preserve or restore specific areas of ocean, coastal, and Great Lakes waters chosen on the basis of conservation, recreational, ecological, scientific, or esthetic values; adds the term "scientific" to the list of criteria for which a marine sanctuary can be established; defines the term "State" when used in title III to mean any of the several States or any U.S. territory or possession which has a popularly elected Governor; specifies what must be included in the documentation comprising the terms of the marine sanctuary designation; requires the Secretary to issue necessary and reasonable regulations to implement the terms of and to control the activities described in the designation; makes permits, licenses, and other authorizations issued pursuant to any other authority valid unless the sanctuary regulations provide otherwise; restricts the scope of sanctuary regulations to those types of activities specifically mentioned in the designation document; provides for more sophisticated techniques, including multiple-use management, dominant-use management, and partial management; requires the Secretary to conduct research and, together with the Secretary of the Department in which the Coast Guard is operating, enforcement activities as necessary and reasonable to carry out the purposes of title III; provides that a designation of a marine sanctuary shall become effective unless part or all of its terms are disapproved by concurrent resolution adopted by both Houses of Congress within 60 days of continuous session and in accordance with specified procedures or if the Governor of a State whose waters are included on the designated sanctuary certifies, within 60 days of publication, that the designation or specific terms of it are unacceptable to his State; and authorizes therefor $2.25 million for 1981 to the National Oceanic and Atmospheric Administration which is charged with administering the program. S. 1140—Public Law 96-332, approved August 29, 1980. (VV)

National Commission on Air Quality: Amends the Clean Air Act of 1977 to extend until May 1, 1981, the National Commission on Air Quality in order to provide additional time for the Commission to complete and submit a final report containing its recommendations on the implementation of the Clean Air Act. S.J. Res. 188—Public Law 96-300, approved July 2, 1980. (VV)

Ocean pollution: Extends for three years, through fiscal 1982, title I of the Marine Protection, Research and Sanctuaries Act under which the Environmental Protection Agency has the authority to regulate the transportation of materials for ocean dumping and prevent ocean dumping of any material which would adversely affect human health or welfare, the marine environment, an ecological system or economic potentialities; authorizes therefor $2 million each for 1980 through 1982; phases out industrial sludge dumping by December 31, 1981, unless a company has a special permit issued by the administrator of EPA; requires a U.S. agency that intends to dump in foreign waters to first obtain the Administrator's approval; and authorizes EPA to conduct a study evaluating the technological options available for the removal of heavy metals and other toxic organic materials from the sewage sludge of New York City which is to be completed by July 1, 1981. S. 1148—Passed Senate June 6, 1979; Passed House amended May 13, 1980; Senate agreed to House amendments with amendments September 30, 1980. (VV)

Amends the Marine Protection, Research and Sanctuaries Act of 1972 to transfer from the National Oceanic and Atmospheric Administration (NOAA) to the Environmental Protection Agency the authority to conduct research into developing disposal methods as alternatives to ocean dumping; authorizes $11,396,000 in fiscal 1981 and $12,000,000 in 1982 for NOAA to monitor ocean dumping and to carry out research on marine pollution under title II of the Act; and includes as part of the research project currently being conducted by the Secretary of Commerce into the long term effects of pollution over fishing and the marine ecosystem, a scientific assessment of damages caused from oil spills. S. 1123—Public Law 96-381, approved October 6, 1980. (VV)

Ocean pollution (Marpol): Implements those portions of the 1978 Protocol Relating to the International Convention for the Prevention of Pollution from Ships, 1973 (Marpol Protocol) applicable to vessel inspection and certification and to reception facilities for oil and chemical wastes; gives the Secretary of the Department in which the Coast Guard is operating the authority to administer, enforce, and prescribe regulations to carry out this act including authority to issue "Marpol Protocol" certificates to vessels complying with pollution standards and detain vessels that have no certificate or are not in compliance with their certificate; provides compensation for any loss or damage suffered to ships which are unreasonably detained or delayed; requires the Secretary to issue regulations to ensure that the vessels of member nations are treated more favorable than vessels of non-members; requires the Secretaries to issue regulations for determining the adequacy of waste reception facilities at U.S. ports and terminals; calls for issuance of a certificate whenever a port's facilities are adequate for receiving waste liquids from seagoing vessels; requires the Secretary to bar entry, with certain exceptions, to any U.S. port, that has not been issued the necessary certificate; imposes civil and criminal penalties for violations of the act, the protocol, or its implementing regulations; and amends the Fish and Wildlife Act of 1956 to extend the fisheries loan fund through September 30, 1982. H.R. 6665—Public Law 96-478, approved October 21, 1980. (VV)

Ocean pollution research and development: Amends section 10 of the National Ocean Pollution Research and Development and Monitoring Planning Act of 1978 to authorize $3 million for fiscal 1981, $4 million for fiscal 1982, and $5 million for 1973 to the National Oceanic and Atmospheric Administration to provide continued financial assistance in the form of grants and contracts for projects needed to meet the priorities set forth in a five-year plan (mandated under the act) for Federal efficiency and coordination of the Nation's ocean pollution research, development, and monitoring activities; and changes from February 15 to April 30 the date for submission of the biennial report to Congress containing revisions of the five-year plan. H.R. 6615—Passed House May 5, 1980; Passed Senate amended May 15, 1980. (VV)

Quiet communities: Amends the title of the Noise Control Act of 1972 to read the "Quiet Communities Act" and conforms all references in law to the new name; authorizes $15 million annually for fiscal 1980 and 1981 to carry out the provisions of the act; requires the Administrator of the Environmental Protection Agency to develop a five-year plan, to be submitted to Congress by March 1, 1980, setting forth a detailed description of the objectives of each program and activity which the Administrator will carry out in fiscal 1981 through 1985, and to prepare and submit to Congress a revision of the plan by January 31, 1981, and each two years thereafter; requires that the plan contain a separate discussion of the Administrator's research objectives with respect to the health aspects of noise and that the research portion of the plan (1) set forth the relative priorities assigned to various categories of noise research activities to be performed by EPA or other Federal agencies, a detailed statement of the annual levels of funding to be allocated to each category, and a schedule or timetable of activities proposed to attain the noise research objectives, and (2) contain an analysis of the relationship between the research elements and the other activities for programs described elsewhere in the plan; requires that the plan contain a separate portion on aircraft and airport noise studies; allows local governments to petition EPA requesting a change in Federal Noise regulations which affect fixed railroad facilities; and extends for one year the life of the National Commission on Air Quality in order that it may complete its study on the implementation of the act. S. 1144—Passed Senate June 14, 1979; Passed House amended February 12, 1980; Senate agreed to House amendment with an amendment and requested conference March 25, 1980. (VV)

Safe drinking water: Amends the Safe Drinking Water Act to extend for three years, until January 1, 1984 (January 1, 1986 for systems that intend to regionalize) the authority of States to grant temporary case-by-case exemptions to public water supply systems which, due to economic factors, are unable to comply with current interim primary drinking water regulations; permits States, so long as statutory requirements are met, to receive primary enforcement authority to regulate underground injection related to oil and gas production and recovery; deletes underground storage of natural gas from the statutory definition of underground injection because of the lack of evidence that natural gas storage poses a threat to drinking water quality; permits States to continue their existing underground injection control programs pending approval or disapproval of their program by the Administrator; and authorizes the Administrator to make grants to a single public water system for the purpose of developing and demonstrating new or improved means of filtration which are stricter than standards in effect under the act. H.R. 8117—Public Law 96- , approved 1980. (VV)

Solid waste disposal: Extends the Solid Waste Disposal Act for three years through fiscal 1982; transfers to the Secretary of Interior exclusive responsibility for carrying out any requirement of the act with respect to coal mining wastes or overburden for which a surface coal mining and reclamation permit is issued or approved;

Allows the Administrator of the Environmental Protection Agency to delegate the power to enforce regulations to other agencies in order to avoid duplication of compliance efforts but limits such authority with respect to inspections and enforcement functions by the Secretary of Transportation in matters relating to the transportation of hazardous waste; provides greater administrative flexibility in allocating funds while retaining an emphasis on technical assistance to States and local governments for hazardous waste control funds; requires that a minimum of 25 percent of appropriated funds be used to support State and local solid waste planning and management activities; provides that drilling fluids, produced waters, and other wastes associated with the exploration, development, or production of crude oil, natural gas or geothermal energy shall only be subject to existing State or Federal regulatory programs in lieu of subtitle C of the Resource Conservation and Recovery Act until at least 24 months after enactment to enable EPA to conduct and submit to Congress a study to determine the degree of hazard, adequacy of existing regulatory programs, any changes to these programs, and the cost and impact of those changes on the exploration, development, and production of crude oil and natural gas; establishes a "special wastes" category to encompass all other wastes to be regulated by the Agency and requires studies and public hearings prior to their regulation; requires State or Federal programs for waste disposal sites to include provisions for identification and chemical physical analysis;

Establishes a procedure for Congressional approval of any hazardous waste regulations; codifies the existing common law concept that the generator of waste is responsible for assuring its arrival at an appropriate facility; authorizes the Administrator to prescribe regulations to prevent radiation exposure which presents an unreasonable risk to human health or the environment from certain uses of solid waste, the extraction, and processing of phosphate rock, or the extraction of uranium ore; limits suspension of regulations of uranium mining waste under subtitle C to overburden; and authorizes the Administrator to enforce such regulations through issuance of a compliance order or commencement of a civil action; provides that the Administrator should, where appropriate, establish separate requirements for new and existing facilities; requires the Administrator to promulgate regulations for all aspects of storage, treatment, and disposal of hazardous waste ranging from reporting, monitoring second record keeping to regulations for location, design, construction, and operation;

Permits the Administrator to authorize EPA contractors to obtain samples, perform inspections, and examine records at facilities which handle hazardous wastes; specifies that EPA's access, entry, and inspection authority applies to persons or sites which have handled hazardous wastes in the past but are no longer doing so; gives EPA the option of requesting that persons handling such wastes either provide records or furnish information in the form of a summary; adds provisions to assure appropriate confidentiality of data in the hands of private contractors; amends the enforcement provisions to bring them into line with those in the Clean Air and Water Acts by imposing a civil penalty of up to $25,000 per day for dumping of hazardous wastes regardless of whether the dumping party has been served with a stop order; authorizes the Administrator to act against violations before a 30-day period has elapsed; clarifies the Administrator's authority to immediately issue an order suspending or revoking an operating permit and, if necessary, seek court enforcement; clarifies the scope of existing criminal provisions and creates a new offense of endangerment that

is tailored to the activities regulated by the act; leaves notification relating to revision of regulations to the discretion of the Administrator; authorizes $20 million for a new program of grants to assist States to compile, publish, and submit to the Administrator a continuing inventory of the waste sites within their State; authorizes the Administrator, upon a determination that a hazardous waste presents a substantial risk to the health or environment, to order the owner or operator to conduct reasonable testing, analysis, and monitoring to determine the nature and extent of the hazard; makes clear that enforcement and remedial actions with respect to hazardous waste sites should not be postponed pending completion of the inventory; specifies that grant funds for State hazardous waste activities may be used for inactive site response planning and control; prohibits open dumping after publication of criteria to define this practice; authorizes $1.5 million each for fiscal 1981 and 1982 for a grant program to assist local governments with solid waste disposal facilities located on a drinking water acquifer and to take measures to identify these sites and mitigate potential environmental problems;

Establishes a deadline of September 1981 for the Department of Commerce to publish guidelines for the development of specifications for recovered materials, which may also apply to virgin materials, and to take actions to identify potential markets and economic obstacles to materials recovery; gives EPA the flexibility to choose which products would be purchased for recycled materials and to set timetables for issuance of new specifications; extends the deadline for changing specification to allow use of recycled materials from 18 months to 5 years; directs the Administrator to issue final guidelines by May 1, 1981, for use by Federal agencies in procuring products containing recovered materials;

Extends applicability of solid waste disposal guidelines to the legislative branch; directs the Administrator to provide to the Secretary of Labor and the Director of the National Institute for Occupational Safety and Health with information relating to the identity of a site where cleanup is planned, regarding hazards to which workers might be exposed, and incidents of worker injury or harm at a site; requires the Administrator, before issuing a permit for a facility for the treatment, storage, or disposal of hazardous wastes, to give notice in local newspapers and over radio stations of its intent to issue a permit to after which a 45-day period is provided for submission of statements of opposition; modifies the judicial review provisions of the act to follow comparable provisions in the Clean Air and Clean Water Acts; requires that all court actions challenging regulations under this act, be heard in the Appeals Court of the United States for the Federal judicial district in which the person resides or transacts business; gives the Administrator authority to subpena records and compel testimony of witnesses in enforcement actions; establishes minimum requirements for approval of State waste-to-energy plans and authorizes grant assistance for States and municipalities to implement their plans; directs the Administrator to collect information concerning market potential and other waste-to-energy information; and directs the President to establish a temporary nine-member commission to submit by February 15, 1982, an interim report and within two years a final report regarding the status of Federal resource, conservation, and recovery efforts. S. 1156—Public Law 96-482, approved October 21, 1980. (VV)

Superfund for environmental cleanup: Establishes a five-year $1.6 billion Hazardous Substance Response Fund, 87.5 percent of which would be funded by a system of taxes levied on the producers of hazardous substances, to pay for timely government response to releases of hazardous substances into the environment; establishes strict liability for producers of hazardous substances to encourage those responsible to clean up releases and prevent additional releases of hazardous substances;

Defines hazardous substances as all substances which are already listed as such under the Clean Water Act, the Clean Air Act, Solid Waste Disposal Act, or the Toxic Substance Control Act; authorizes the President to designate additional hazardous substances which, when released into the environment, may present substantial danger to the public health or the environment; allows use of the fund for cleanup damages for substances not on the lists, but disallows use of the liability scheme to recover these costs; excludes from coverage oil spills, the normal field application of fertilizer, emissions from a motor vehicle, nuclear material, and most workplace exposures; excludes from definition as a hazardous substance, petroleum, natural gas, and synthetic gas; provides for two different levels of Federal response—removal and remedy—where a responsible party fails to respond to a spill, or where no responsible party can be identified; includes as removal actions, those emergency actions established under the Clean Water Act, including provision of water supplies and temporary housing relocation; allows up to $1 million for emergency removal actions, or more if the emergency continues; authorizes subsequent remedy of the release, with no dollar limit; provides a variety of onsite or offsite actions to clean up the released hazardous substances and to stop further spread of the contaminants, including permanent relocation and provisions of alternative water supplies as part of remedy; allows the fund to pay for the loss of natural resources, including costs of damages, and cost of restoring injured, destroyed, or lost natural resources; essentially codifies the common law liability standard to help assure that spills, hazardous waste sites, and other covered releases will be cleaned up and innocent victims will be compensated for their losses holds responsible parties liable on a "no fault" basis under Federal law for all government response costs and listed third party damages; allows costs to be paid initially by the Response Fund and then collected from the responsible parties, if necessary; provides for compensation of the Federal Government and any State in the event of injury to or destruction or loss of natural resources imposes strict liability on owners and operators of vessels and facilities releasing hazardous substances, and on owners and operators of sites at the time of disposal, generators of hazardous wastes who arrange for others to dispose of the wastes, and transporters who select where they will dispose wastes; and provides as the only defenses to liability, an act of God, an act of war, or the act of a third party; and provides for a legislative veto of regulations promulgated under this act if the veto is not disapproved by the other House. H.R. 7020—Passed House September 23, 1980; Passed Senate amended November 24, 1980. (484)

Trinity River fish habitat: Authorizes the Secretary of the Interior, acting through the Water and Power Resources Service, to undertake construction, operation, and maintenance of the debris dam on the Grass Valley Creek and the sand dredging program on the Trinity River in Trinity County, California, in conformity with the development plan prepared by the Trinity River Basin Fish and Wildlife Task Force which was formed to examine the fish and wildlife problems on the Trinity River caused by construction of the dam and to recommend corrective actions; authorizes for fiscal 1982 $3.5 million to remain available until expended for construction costs plus such additional amounts as may be required for the Federal share of operation and maintenance; and makes appropriation of all such funds contingent upon the Board of Supervisors of Trinity County adopting adequate timber road and subdivision standards to protect the Grass Valley Creek Watershed and an agreement between the State and the Water and Power Resources Service to share the cost of the sand dredging system. H.R. 507—Public Law 96-335, approved September 4, 1980. (VV)

Weather modification: Establishes a National Weather Modification Management Program to: (1) develop a better scientific base for understanding the atmospheric processes that will allow the development of reliable weather modification technologies, (2) provide more effective coordination and stable funding for Federal research efforts in weather modification, (3) improve public involvement and environmental consideration in weather modification, and (4) encourage international cooperation; directs the Secretary of Commerce to appoint a director responsible for planning and administering the program; directs the President to maintain an interagency coordinating committee responsible for coordination of the Federal agencies involved in the program; directs the Secretary and the Director to seek independent advice on the goals, priorities, and activities of the program; requires the director with the assistance of the interagency coordinating committee to prepare and revise biennially a five-year plan for managing the Federal research effort in weather modification; directs OMB to review each agency's annual appropriations request for the program as an integrated, coherent, multiagency request; requires submission of reports by all persons responsible for conducting weather modification activities in the United States; directs the Secretary to publish a summary of activities in an annual report to the President and the Congress; and includes a five-year authorization increasing from $25 million in fiscal 1981 by $5 million per year to $45 million in fiscal 1985. S. 1644—Passed Senate May 19, 1980. (VV)

FISHERIES

Atlantic Tuna Conservation Commission: Amends section 10 of the Atlantic Tunas Convention Act of 1975 to authorize, through fiscal 1983, such sums as necessary for the United States' share of travel and other expenses of the International Commission for the Conservation of Atlantic Tunas (ICCAT) which was established under the International Convention for the Conservation of Atlantic Tuna (Ex. H. 89th-2d) and is responsible for the management and conservation of Atlantic Tuna; adds five new positions to the existing advisory committee to the U.S. ICCAT Commissioners which would consist of the Chairmen of certain fishery management councils; directs the Secretary to establish a program under which a U.S. observer will be stationed aboard a foreign fishing vessel that is operating within the defined convention zone to carry out such scientific or other functions as the Secretary deems appropriate; imposes a fee sufficient to cover the cost of placing an observer on a foreign vessel intending to fish within the U.S. convention zone when it is determined that such fishing would result in the incidental taking of billfish; and requires biennial reports on the taking of blue-fin tuna by U.S. fishermen in the convention area, the status of bluefin stocks within the area, trends in their population and related information resulting from implementation of the observer program. S. 2549—Public Law 96-339, approved September 4, 1980. (VV)

Commercial fisheries: Extends the Commercial Fisheries Research and Development Act for three years, through fiscal 1983, and authorizes therefor $10 million for the section 4(a) general programs, $5 million for section 4(b) which provides funds on an

emergency basis if there is a commercial fishery disaster or serious disruption affecting future production due to a resource disaster arising from natural or undetermined causes, and $500,000 for the section 4(c) program of grants to develop new commercial fisheries. H.R. 4890—Public Law 96-262, approved June 5, 1980. (VV)

National fishery development: Provides for a national program of fisheries research and development; reaffirms the Congressional commitment expressed in the Saltonstall-Kennedy Act (established in 1954 and maintained through the transfer of 30 percent of the duties on imported fish products) to provide a source of funding for both industry and governmental fishery development and research and projects by expanding the definition of persons eligible to apply for funding, which shall also include residents of the U.S. territories and possessions, and earmarking 50 percent annually to private fisheries development projects; provides for foreign fishing in the U.S. fishery management zone subject to certain limits on the number and types of fish that may be taken; establishes a program under which a U.S. observer will be stationed aboard each foreign fishing vessel while the vessel is engaged in fishing within the U.S. zone; and permits a commercial fisherman whose vessel was damaged by a foreign vessel to file a claim for damages to cover the loss of his gear or vessel. S. 1656—Passed Senate December 5, 1979; Passed House amendment September 23, 1980; Senate agreed to House amendment with amendment September 30, 1980; House agreed to Senate amendment with an amendment November 18, 1980. (VV)

Salmon and steelhead resources conservation: Provided the Federal response to the consequences of a number of Federal court decisions interpreting treaties entered into between the U.S. and Indian tribes of the Washington territory in the 1850's that have resulted in: (1) economic dislocation for the non-Indian commercial fishing industry and the sport fishermen of the State, (2) resistance to the decisions implemented, and (3) difficulty in securing proper management of the salmon and steelhead resources by authorizing the Secretary of Commerce to establish a grant program for the States of Washington and Oregon, the Northwest Indian Fisheries Commission, the Columbia River Inter-Tribal Fish Commission and any joint governmental entity for programs designed to promote coordinated research, enforcement, enhancement, and management of the area's salmon and steelhead resources. S. 2163—Public Law 96- —Approved 1980. (VV)

Vessels sale: Authorizes the open, competitive bidding sale of seven specified vessels in the Federal Government's obsolete fleet which are capable of conversion for use in the U.S. fisheries; contains provisions to insure that: conversion work is performed in the U.S., the vessels are documented and operated under the laws of the U.S., scrapping of the vessels is done in the U.S., and the purchasers are U.S. citizens; and extends for two years the provisions of Public Law 94-150 to permit foreign citizens with special technical expertise aboard the vessel until such time that this special expertise can be transferred to U.S. citizens. H.R. 4088—Public Law 96-260, approved June 3, 1980. (VV)

GENERAL GOVERNMENT

Afro-American History and Culture Commission: Establishes a 15-member National Afro-American History and Culture Commission which shall develop and submit to the President and Congress within two years, a definitive plan for the construction and operation of the National Center for the Study of Afro-American History and Culture in Wilberforce, Ohio; and authorizes the Commission to solicit funds from private and public sources to defray costs associated with establishment and operation of the Center. S. 1814—Passed Senate September 26, 1980. (Note: Comparable provisions are contained in H.R. 7434 which became Public Law 96-430.) (VV)

Agency reporting requirements: Discontinues or amends certain agency reporting requirements by eliminating those reports considered no longer necessary and modifying others through simplification, less frequent reporting time frames, and consolidation. H.R. 6586—Public Law 96-470, approved October 19, 1980. (VV)

American folklore preservation: Extends the American Folklife Center at the Library of Congress for three years and authorizes therefor $740,000, $890,000, and $990,000 for fiscal 1982 through 1984, respectively, for its operation. H.R. 7805—Public Law 96- approved 1980. (VV)

Archeological resources: Authorizes not to exceed four percent of the total funds appropriated for the Animas-LaPlata and Dolores projects within the Colorado River Basin for the survey, recovery, protection, preservation, and display of archeological resources in the area. H.R. 5751—Public Law 96-301, approved July 2, 1980. (VV)

1980 census: States the sense of the Senate that all members of Congress should request their States, the citizens of their Congressional Districts, and the Bureau of the Census to encourage older people to participate as census workers in the 1980 Decennial Census. S. Res. 395—Senate agreed to March 27, 1980. (VV)

Civil Defense property transfer: Authorizes the Administrator of GSA to donate to State and local governments certain Federal personal property loaned to them for civil defense use under the Federal Emergency Management Agency. S. 2566—Passed Senate August 27, 1980. (VV)

Federal assistance reform: Proposes procedural changes in the administration of the Federal categorical grant system to encourage consolidation of grant programs and simplify the regulations associated with them; recognizes the increasing complexity of the Federal grant system and creates mechanisms to improve the management of these programs: encourages Congress to consider consolidation plans within 90 days of transmittal to Congress; encourages increased Federal reliance on state and local audits whenever possible, to satisfy Federal requirements; shifts the emphasis of current practice from audits conducted on a grant-by-grant basis to audits performed on an organization-wide scale; replaces the Joint Funding Act with provisions designed to encourage Federal grant administering agencies to allow a number of separate categorical programs to be used by a recipient as if they were a single program on a case by case basis; mandates that agencies work with their counterparts to develop grant procedures which would be compatible and would allow several grants to be combined into one administrative package; requires each granting agency to design specific procedures and clear administrative roadblocks to enhance the packaging of grant programs; allows recipients to develop their own coordinated grant packages for approval by the agencies; reduces paperwork and conflicting national policy standards resulting from cross-cutting requirements (statutorily mandated conditions for receipt and use of Federal assistance); requires the President to designate agencies in various policy areas which will be responsible for developing and issuing, within two years of the date of their designation, standard rules and requirements for one or more cross-cutting statutes; requires all agencies upon issuance to conform with the standards: directs agencies to accept State or local government certifications that they are in compliance with State or local requirements which are equivalent to the Federal cross-cutting requirements; relieves recipients, once certified, from the paperwork and other administrative requirements which implement cross-cutting statutes; develops a system, in cooperation with Federal grants agencies, to provide comprehensive information on the purpose and amounts of all Federal assistance awarded to a State and its political subdivisions in each fiscal year; ensures State and local recipients protection from unexpected policy changes or administrative revisions implemented by Federal agencies; requires Federal agencies to notify assistance recipients whenever Federal funds are withdrawn or denied; requires agencies to allow State or local governments to present arguments against the agencies' actions; requires Federal agencies to explain their reasons for withdrawing or denying funds; encourages Federal agencies to waive changes in requirements for recipients which have made a substantial effort to comply with the old rules; directs the Advisory Commission on Intergovernmental Relations to study alternative methods of delivering public services supported by Federal grants; and directs OMB to conduct and report to Congress within 18 months, the results of a pilot program to develop and implement methods to assess the administrative costs of Federal assistance programs to OMB. S. 878—Passed Senate December 1, 1980. (VV)

Federal buildings: Authorizes $2,361,399,099 to the General Services Administration for various building projects and to carry out the general policies established for locating, designing, furnishing, and maintaining Federal buildings; and sets a goal of increasing the percentage of Federal employees working in Federally-owned buildings, as opposed to leased buildings, to 60 percent in ten years and 75 percent in 20 years. S. 2080—Passed Senate June 20, 1980; Passed House amended August 25, 1980; In Conference. (*234)

Federal Election Commission authorization: Authorizes $9.4 million for the Federal Election Commission for fiscal 1981 of which not more than $400,000 is to be used for the Commission's clearinghouse activities. S. 2648—Public Law 96-253, approved May 29, 1980. (VV)

Federal fire prevention and control: Authorizes $20,804,000 for the United States Fire Administration (USFA) and $4,255,000 for the Center for Fire Research within the Department of Commerce for fiscal 1981 for a total authorization of $25,059,000; includes funds to strengthen programs of firefighter protection, Federal arson, firefighter emergency response training, and concentrated demonstration in fire prevention and control, including a directive for USFA to carry out a rural firefighting demonstration project in the Southeast region of the United States in response to the high rate of deaths due to fires in that region; and includes funds to expand fire research programs under the Center for Fire Research. S. 2709—Passed Senate May 22, 1980. (VV)

Federal Trade Commission: Amends the Federal Trade Commission Act to change procedures for agency investigations and rulemaking; authorizes $70 million for fiscal 1980, $75 million for 1981, and $80 million for 1982 for programs administered by the Federal Trade Commission; and provides for a two-house legislative veto of trade rules promulgated by the FTC; requires the FTC, within 120 days of the filing date, to reopen any FTC order if a person, partnership, or corporation subject to that order makes a "satisfactory showing" of the changed conditions of law or fact since the order was issued; prohibits the FTC from making public trade secrets, commercial, and financial information which it obtains confidentially from private sources; requires the FTC to establish a plan to reduce the burdens on small businesses of the quarterly financial report and to reduce the number of small

businesses required to file the report; makes permanent the protection against disclosure of line-of-business data in such a way that an individual company could be identified; makes the FTC's investigative and reporting powers inapplicable to the business of insurance, except to the extent authorized with regard to antitrust investigations or unless requested by a majority vote of the Senate or House Commerce Committees; eliminates the threat of criminal sanctions applied to those recipients of a subpoena who in good faith resist investigations by making such sanctions inapplicable prior to a judicial order of enforcement; terminates FTC's rulemaking authority to issue a trade regulation rule under section 18 regarding industry standards and certification of products but leaves unaffected whatever authority the FTC may have under other provisions of the Act; requires the FTC to notify the relevant Senate and House committees 30 days prior to publishing a notice in the Federal Register of a proposed rulemaking; limits to $75,000 per proceeding and to $50,000 per year the amount that any person may receive under the public participation program; restricts the total authorization for this program to $750,000 annually, and calls for establishment of a small business outreach program to solicit public comment and encourage participation; suspends the present rulemaking proceedings regarding children's television advertising until the Commission votes to publish the text of the proposed rule and conducts its investigations under a "false or deceptive", rather than an "unfair or deceptive" standard; requires the FTC to promulgate rules providing that ex parte contacts between Commissioners and outside parties be "on-the-record", and that contacts between the Commissioners and the rulemaking staff be "on-the-record" when discussing facts relevant to the rulemaking but which are not in the rulemaking record; applies the civil investigative demand procedure utilized by the Justice Department under the Antitrust Civil Process Act to certain FTC investigations, and allows information sharing with other Federal agencies as long as they abide by the same standards of confidentiality; exempts from disclosure under the Freedom of Information Act any material the FTC receives in an investigation of a violation of a law within the jurisdiction of the FTC; requires the FTC to publish the text of any rule, or alternative, at the commencement of a rulemaking proceeding; provides that the provision requiring the publication of a rule is applicable to any rulemaking proceeding in which all hearings have not been completed; requires publication of a semiannual regulatory agenda listing the rules which the FTC expects to propose or promulgate in the next 12 months; requires an analysis of a proposed action as to its benefits and adverse effects at the initial notice stage and upon promulgation; prohibits the FTC for three years from petitioning the Commissioner of Patents to cancel a trademark on the grounds that it had become the "common or descriptive name of an article or substance" under the Lanham Trademark Act, which would prevent the FTC's intended action on the word "formica"; authorizes FTC rulemaking on the funeral industry with regard to mandating price disclosures, banning deceptive or coercive practices, and prohibiting unlawful practices such as boycotts or threats; prohibits funds for study, investigation, or prosecution of any agricultural cooperative, such as Sunkist, which is exempt from antitrust laws under the Capper-Volstead Act; provides for a two-house legislative veto of FTC rules, under expedited procedures, by the passage within 90 days of promulgation of a rule of a concurrent resolution of disapproval; and requires the Senate Commerce Committee's Subcommittee for Consumers to hold oversight hearings every six months regarding the FTC. H.R. 2313—Public Law 96–252, approved May 28, 1980. (*40,*152)

Federal use of bequests: Authorizes the Federal Government to accept and use bequests and gifts for the relief of human suffering caused by natural disasters and establishes, within the Treasury, a separate Fund into which such donations shall be credited and remain available for expenditure upon the certification of the President or his delegate. S. 2185—Public Law 96–446, approved October 13, 1980. (VV)

Foreign Claims Settlement Commission: Transfers the Foreign Claims Settlement Commission to the Department of Justice, as a separate agency, without altering its adjudicatory independence; changes the service of two of the three full-time Commissioners to part-time; authorizes the Department of Justice to provide certain administrative support services to the Commission; changes the terms of office and method of appointment of the members of the Commission; abolishes the Annual Assay Commission and transfers its functions to the Secretary of the Treasury; abolishes the United States Marine Corps Memorial Commission whose functions are now obsolete; and abolishes the Low Emission Vehicle Certification Board whose functions are now carried out by the Department of Energy. H.R. 4337—Public Law 96–209, approved March 14, 1980. (VV)

General Accounting Office audit of unvouchered expenses: Amends the Accounting and Auditing Act of 1950 to authorize the Comptroller General to audit unvouchered expenditures which are accounted for solely by the President or agency official involved (except for certain expenditures dealing with sensitive foreign intelligence or counterintelligence) for the purpose of verifying to Congress that funds were legitimately expended; requires the Director of OMB, within 60 days after the beginning of each fiscal year beginning with 1981, to provide the Comptroller General and certain Congressional committees with a list identifying each vouchered account subject to audit; prohibits GAO from releasing information obtained from its audit to anyone except the President or agency head concerned or, in the case of unresolved discrepancies, to certain Congressional committees; amends the Budget and Accounting Act of 1921 to authorize the Comptroller General to institute judicial enforcement actions to compel production of documents in cases where an executive department or establishment fails to comply with a request for information and to issue and enforce subpoenas to non-Federal entities for materials and documents to which it now has a legal right of access; permits the Comptroller General to be represented by attorneys of his own selection in order to avoid a potential conflict of interest caused by the Attorney General representing both respondents in a judicial action involving the GAO and a Federal agency; provides that any failure to obey an order of the court shall be treated by the court as contempt; precludes GAO from bringing an enforcement action against a Federal agency, or issuing a subpoena against a non-Federal party, to obtain access to materials in three specified situations; requires that any materials obtained by the Comptroller General from a Federal agency be subject to the same level of confidentiality required by the Federal agency; regulates procedures for the release of GAO draft reports to Federal agencies for longer than 30 days unless the Comptroller General makes an exception for specified reasons; by requiring that congressionally initiated draft reports be submitted to appropriate members or committee, upon request, when they are submitted to agencies for comments and requiring that the Comptroller General includes in the final version of a GAO report a statement of changes made in its preparation as a result of agency comments and the reason for such changes; amends the Budget and Accounting Act of 1921 to establish a ten-member Congressional Commission to recommend, for the President's consideration, the names of at least three individuals for appointment to the Office of Comptroller General and Deputy Comptroller General; states, with the exception of the current Deputy Comptroller General, that the Deputy Comptroller General shall hold office from the date of his appointment until the date on which an individual is appointed to fill a vacancy in the Office of Comptroller General and permits the Deputy Comptroller General to hold office until his successor is appointed; and extends the requirements of the Inspector General Act of 1978, dealing with complying with GAO audit standards, to the Inspectors General of the Departments of Energy and Health, Education, and Welfare. H.R. 24—Public Law 96–226, approved April 3, 1980. (VV)

Hostage relief: Amends title 5, U.S.C., and the Internal Revenue Code of 1954 to provide certain benefits to individuals held hostage in Iran and their families; establishes a special interest-bearing savings fund into which the unalloted portion of a hostage's pay could be deposited and from which withdrawals may be made to meet unexpected needs; provides for the payment of certain medical and health care expenses not covered by insurance; provides education and training benefits for the spouse or child of a hostage and provides for the continuation of these payments in the event of the death of a hostage; makes education and training benefits also available to the hostage after his or her release under special circumstances; prevents a hostage from being sued in a civil court until the individual is in a position to respond to the action; makes Richard Starr of Edmonds, Washington, who as a Peace Corps volunteer, was held captive in Colombia and released in February, 1980 eligible for the benefits under this act; exempts from Federal income tax the salaries of the hostages beginning November 4, 1979, and extending through the period of their confinement; places an expiration date of December 31, 1981, on this provision; waives a hostage's entire tax liability in the event of his or her death; allows the spouses of hostages to file joint tax returns even though the individual being held hostage is unable to sign the return; extends numerous deadlines in the tax law by the period of captivity plus 180 days; directs the Joint Committee on Taxation to study the tax treatment of American citizens taken hostage or missing and report to the Congress by July 1, 1981, in order that Congress may be able to develop permanent statutory provisions before the December 31, 1981, expiration date; calls upon the President to formally request the International Red Cross to make regular and periodic visits to the hostages to determine whether they are being treated in a humane and decent manner and are receiving proper medical attention; urges the Red Cross to encourage other countries to ask for the cooperation of the Government of Iran to allow these visits; and requests that the Red Cross report its findings after each visit to the U.S. H.R. 7085—Public Law 96–449, approved October 4, 1980. (VV)

International affairs of Treasury: Authorizes $23.671 for fiscal year 1981 to carry out international affairs functions of the Department of the Treasury, including sums for official functions and reception and representation expenses and for payments for a program to equalize the after-tax salaries of U.S. nationals employed by the Asian Development Bank (ADB) to those of other ADB employees; authorizes an additional $1.1 million for fiscal year 1981 to cover cost of living increases, overseas allowances, and benefits for U.S. nationals employed by ADB; and calls on the administration to initiate, in the

Organization for Economic Cooperation and Development Steel Committee, discussions leading to a multilateral agreement halting predatory, Government subsidized export credits for steel plants and equipment. S. 2514—Passed Senate September 3, 1980; House defeated September 6, 1980. (VV)

Joint funding simplification: Extends for five years, until February 5, 1985, the Joint Simplification Act of 1974 (Public Law 93-510) which simplifies funding procedures in the categorical grant-in-aid system in those cases where an applicant for Federal assistance receives that assistance from two or more different Federal agencies or programs within an agency. S. 1835—Public Law 96- , approved 1980. (VV)

Kennedy Center authorization: Authorizes $4,287,000 for fiscal 1980 and $4.4 million for 1981 to the Secretary of the Interior, acting through the National Park Service, to provide maintenance, security, information, interpretation, janitorial, and all other services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts; and authorizes the Secretary to place in the center a plaque or other device honoring the service of Ralph E. Becker as a founding trustee and general counsel for the center. S. 1142—Passed Senate September 6, 1979; Passed House amended January 24, 1980; Senate agreed to House amendment with amendment August 22, 1980; In Conference. (VV)

Labor statistics confidentiality: Establishes a comprehensive statutory framework to protect the confidentiality of Bureau of Labor Statistics (BLS) data by limiting the use of BLS protected and cooperative statistical data to BLS employees, with certain exceptions as may be determined by the Commissioner of BLS. S. 2887—Passed Senate October 1, 1980. (VV)

Lea Act repeal: Repeals section 506 of the Communications Act of 1934 (the Lea Act), which prohibits musicians and actors from picketing or withholding their services to obtain job security, fair wages, or union recognition. H.R. 4892—Public Law 96- approved 1980. (VV)

NASA authorization: Authorizes $5,587,904,000 for the National Aeronautics and Space Administration for fiscal 1981 of which $4,436,750,000 is for research and development including $1,873,000,000 for continuing development of the Space Shuttle and the production of a fourth orbiter to support civil and military space operations with an advanced, reusable space transportation system; $118,000,000 for construction of facilities including the Space Shuttle, and $1,033,154,000 for research and program management; contains support for two new initiatives: the Gamma Ray Observatory and the National Oceanic Satellite System; authorizes NASA to initiate procurement of long lead materials for production of a fifth orbiter utilizing funds approved for the Space Shuttle program in fiscal 1981; authorizes cost variations up to ten percent of the sums authorized for the construction of facilities or up to 25 percent with Congressional notification; provides that not more than one-half of one percent of the funds appropriated for "Research and Development" may be transferred to the "Construction of Facilities" appropriation which, together with $10 million of the construction funds appropriated, shall be available for the construction of facilities and land acquisition at any location if the Administrator so determines; and expresses the sense of Congress that it is in the national interest that consideration be given to geographical distribution of Federal research funds when feasible and that NASA should explore such distribution of its research and development funds. S. 2240—Public Law 96-316, approved July 30, 1980. (VV)

NASA supplemental authorization: Authorizes $300 million in fiscal 1980 supplemental funds to NASA for research and development in connection with the space shuttle program which, when added to the $1.586 billion appropriated, would provide a total authorization of $1.886 billion for the program. S. 2238—Passed Senate May 30, 1930. (VV)

National Bureau of Standards: Authorizes $107.621 million for fiscal 1981 and $142.382 million for fiscal 1982 to the Department of Commerce for the programs of the National Bureau of Standards, including certain statutory programs, and to assist the Bureau in carrying out its responsibilities including development of national standards of measurement for use in scientific investigations, engineering, manufacturing, and commerce; authorizes, in addition, $400,000 in fiscal 1981 and $500,000 in fiscal 1982 for NBS from excess foreign currency; and authorizes $8.14 million in fiscal 1981 tnd $9.92 million in fiscal 1982 for the National Technical Information Service. S. 2320—Public Law 96-461, approved October 15, 1980. (VV)

National Foundation on the Arts and Humanities—Institute of Museum Services: Amends and extends for five years, through fiscal 1985, the National Foundation on the Arts and Humanities Act of 1965 and authorizes therefor $200 million for the National Endowment for the Arts and $190 million for the National Endowment for the Humanities in fiscal 1981 and such sums as necessary for both endowments for the next four years; provides the Humanities Endowment with authority to support renovation of facilities and the Arts Endowment with authority to make loans; provides that jurisdictions other than states which are included in the definition of state and have a population of less than 200,000 will not receive the full $200,000 basic grant from either endowment; permits the Chairmen of both Endowments to use regular program funds to carry out interagency agreements; modifies and clarifies the Arts Endowment's Challenge Grant program to include challenge grants to provide additional support for cooperative promotional efforts undertaken by state arts agencies and local art groups; eliminates the requirement that members of the National Councils on the Arts and on the Humanities be confirmed by the Senate; modifies the allocation of Humanities Endowment funds so that each State receives a basic grant of $200,000 and provides that any excess be allocated as follows: 34 percent by the Chairman on a discretionary basis, 44 percent to the States on an equal basis, and 22 percent on a per capita basis; increases, from $17,500 to $30,000, the maximum size of discretionary grants made by the Chairman of the Humanities; includes the Commissioner on Aging as a member of the Federal Council on the Arts and Humanities and expands the mandate of the Council to include studies and reports addressing the state of the arts and humanities and to undertake a one year study of employment opportunities for professional artists; requires that advisory panels used to review applications be culturally diverse as well as having broad geographic representation; changes the dates for the annual reports of the Endowments from January 15 to April 15; mandates that the Chairman of each endowment undertake a study of their Treasury Fund program which assesses their incentive effect and administrative complexity;

Extends for five years, through fiscal 1985, the Institute of Museum Services and authorizes therefor $25 million for fiscal 1981 and such sums as necessary for the next four years; increases the level of compensation of the Director of the Institute from level V of the Executive Schedule to level IV; permits the Institute to provide financial assistance to professional museum organizations to strengthen museum service organizations to strengthen museum service programs; broadens the types of assistance that can be provided to include contracts and cooperative agreements; requires establishment of procedures to review applications for assistance; raises from $250 million to $400 million, the ceiling on the aggregate of loss or damage covered by indemnity agreements at any one time and changes the present deductible of $15,000 for every indemnity agreement to a sliding scale of deductibles related to the total value of the exhibition; and makes other technical and conforming amendments. S. 1386—Public Law 96- , approved 1980. (V)

National Labor Relations Board mailings: Authorizes the National Labor Relations Board to serve certain legal documents by certified mail, where appropriate, in lieu of the registered mail carriage now required by law, thus allowing the Board to use either type of postal delivery at its discretion. H.R. 5673—Public Law 96-245, approved May 21, 1980. (VV)

National Museums of American Art and American History: Renames the National Collection of Fine Arts and the Museum of History and Technology of the Smithsonian Institution as the National Museum of American Art and the National Museum of American History, respectively. H.R. 8103—Public Law 96-441, approved October 13, 1980. (VV)

National Science Foundation and Women in Science authorization: Continues present authorities of the National Science Foundation (NSF) for fiscal year 1981 and authorizes therefor $1,114,500,000 plus $5.5 million in excess foreign currencies; distributes the amounts authorized to ten line item program categories, and provides for specific set-asides for programs including: Education in Appropriate Technology, Ethics and Values in Science and Technology, the Handicapped in Science, and earthquake hazards mitigation; calls for a report on the Ocean Margin Drilling Project by December 31, 1980, which includes plans for conversion of the Glomar Explorer, and provides that funding for the project shall come from the Windfall Profit Tax Account; requires the National Academy of Sciences to submit a report on marine earth sciences research; authorizes $5,000 for official consultation, representation, and other extraordinary expenses at the discretion of the Director; provides the Director with the ability to transfer up to ten percent of the funds authorized from one category to another; directs NSF to consolidate all of its directories under one roof in the location of their central administrative offices by August 1, 1982; requires the Director to add a brief statement of the purposes of the research being undertaken to the title of all grants made by NSF; expands the eligibility for the National Medal of Science and Waterman awards to scientists in the areas of behavioral or social services; directs the President, in making nominations to the NSF Board, to provide equitable representation of minority and women scientists;

Establishes a comprehensive program to increase the potential contribution and advancement of women in scientific, professional, and technical careers and provides that not less than $30 million of the sums appropriated for the NSF for fiscal 1981 shall be available to carry out these provisions; declares as national policy to encourage women to acquire skills in science and mathematics so that equal opportunities in education, training, and employment in scientific and technical fields will be assured; authorizes NSF, to support various activities and programs to implement the policy, to establish a visiting women scientists program to make three-year National Research Opportunity Grants to

women scientists who received their PhD five years before the date of the award or who are reentering the work force within five years after interruption of their careers, to award grants to institutions for visiting professorships for women scientists, and to undertake or support a comprehensive science education program to increase participation by minorities and to support research activities at minority institutions; requires the President to transmit a report by January 20, 1982, proposing a comprehensive national policy and program to promote equal opportunities for women and minorities in science and technology and by January 1, 1983, a report proposing a comprehensive policy concerning the direct and indirect impacts of science and technology on women and minorities; establishes within NSF a Committee on Women in Science; and requires submission of a report by January 30, 1982, and biannually thereafter, containing an accounting of the participation of women and men in scientific and technical positions, an assessment of the proportion of women and minorities studying in these fields, and such other recommendations determined appropriate to carry out these policies. S. 568—Public Law 96– , approved 1980. (VV)

Office of Industrial Technology: Establishes within the Department of Commerce, an Office of Industrial Technology, whose Director shall be appointed by the President and confirmed by the Senate, to administer a new industrial innovation program through the establishment of Centers for Industrial Technology funded jointly by industry and government that would conduct cooperative research programs between universities and industry for the purpose of producing new technological ideas of economic significance; requires each Federal laboratory to establish an Office of Research and Technology Applications to facilitate the transfer of Federally-developed technology to State and local governments and to the private sector; authorizes therefor $22 million, $45 million, $60 million, $70 million, and $70 million for fiscal 1981 through 1985, respectively, with Federal matching not to exceed 75 percent; and establishes a 15-member National Industrial Technology Board which shall review the activities of the Office on an annual basis. S. 1250—Public Law 96-480, approved October 21, 1980. (VV)

Paperwork reduction: Amends the Federal Reports Act of 1942 to establish the mechanisms to carry out the recommendations of the Commission on Federal Paperwork for controlling and minimizing the reporting and recordkeeping requirements imposed on the public by Federal agencies; specifies the purposes of the act and assigns specific tasks and deadlines to achieve an overall reduction in the existing 1980 paperwork burden by 25 percent in three years; establishes a central Office of Information and Regulatory Affairs within the Office of Management and Budget, headed by an Associate Director who shall be appointed by the Director, into which will be consolidated specified information management policy functions including automatic data processing (currently covered under the Brooks Act) and telecommunications; clearly states that the Associate Director shall perform only a staff function to the Director and that it is the Director who has the ultimate authority and responsibilities under this act; requires each agency head to appoint a high ranking official to insure that information activities are carried out efficiently; ensures that paperwork required from the public is first checked to see whether the requested information is needed, not duplicative, and collected efficiently; requires all information requests of the public to display a control number, an expiration date, and indicate why the information is needed, how it will be used, and whether it is a voluntary or mandatory request; establishes a Federal Information Locator System to identify duplication in agencies' reporting and recordkeeping requirements, locate existing information that may meet the needs of Congress and executive agencies as well as the public, and assist in deciding which agency requests for information collection should be approved; eliminates all agency exemptions to the Federal Reports Act except that of the Federal Election Commission; provides that disapproval of an information request of the public which has been made by an independent regulatory agency may be overridden by a majority vote of the members of that agency; and authorizes therefor $8 million in fiscal 1981, $8.5 million in 1982, and $9 million in 1983. H.R. 6410—Public Law 96– , approved 1980. (VV)

Postal Service dispute resolution: Provides for improved consultation and establishes new procedures for resolving disputes on matters concerning pay and benefits between the Postal Service and an organization of postal supervisors; and provides for convening a factfinding panel to consider and make recommendations to the postal service with respect to disputes over postal workers pay and benefits. H.R. 827—Public Law 96-326, approved August 8, 1980. (VV)

Refugee assistance and admission: Amends the Immigration and Nationality Act to: (1) provide a new definition of refugee which eliminates current geographical and ideological restrictions and conforms to the United Nations Convention and Protocol Relating to the Status of Refugees; (2) raise the annual limitation on regular refugee admissions from 17,400 to 50,000 for fiscal 1980 through 1982 with a limitation thereafter to be determined as a result of consultation with Congress; (3) provide procedures for meeting emergency refugee and other situations of special concern to the United States if the resettlement needs of the homeless people involved exceed the 50,000 ceiling and specify the procedures for hearings and consultations with Congress on numbers and allocations of refugees in these situations; (4) provide for withholding deportation of aliens to countries where they would face persecution, unless four specific conditions are met which are set forth in the U.N. Convention; (5) limit the use of parole to individual refugees and require that in utilizing parole, the Attorney General, must determine "that compelling reasons in the public interest . . . require that the alien be paroled into the United States rather than be admitted as a refugee"; (6) admit all refugees as refugees with retroactive adjustment of status to lawful permanent residents after one year; (7) establish the statutory position of U.S. coordinator for Refugee Affairs with the rank of Ambassador at Large, to be appointed by the President and confirmed by the Senate, to develop and coordinate U.S. refugee admission and resettlement policy; (8) establish an Office of Refugee Resettlement in the Department of Health, Education, and Welfare to administer present domestic assistance programs; (9) require coordination between HEW and the Department of State in providing resettlement and placement grants during fiscal 1980 and 1981 and transfer this authority to HHS (Health and Human Services) in 1982 unless the President determines, from the results of a required study of which agency is best able to administer the program, that the Director should not administer the program; (10) authorize $200 million annually for supportive services to be funded through discretionary grants and contracts; (11) provide 100 percent reimbursement for cash and medical assistance provided to refugees for three years following the refugees' arrival and specify that this limitation does not apply for fiscal 1980 and the first six months of 1981; (12) provide for the continued phasedown of the Cuban refugee program through 1982; (13) provide a three-year authorization of domestic assistance funding; and (14) authorize reimbursement of State and local public agencies for assistance provided to aliens who applied for asylum before November 1, 1979, and who are awaiting determinations of their claims. S. 643—Public Law 96-212, approved March 17, 1980. (262)

Refugee education assistance (Cubans and Haitians): Authorizes two new three-year grant programs for State educational agencies to assist local educational agencies in meeting the educational needs of (1) Cuban and Haitian refugee children in the amount of $450 per refugee child who entered the U.S. on or after November 1, 1979, based on enrollees in public elementary and secondary schools, and (2) Cuban, Haitian, and Indochinese children where enrollments equal at least 500 children or five percent of total enrollment, in the amount of $750 per child for the first year of attendance, $500 for the second year, and $300 for the third year, based on numbers of enrollees in public and private elementary and secondary schools; authorizes a new two-year grant program to State and local educational agencies, public or private non-profit agencies, organizations, and institutions for operating adult education programs for Cuban and Haitian refugees in the amount of $300 per enrolled adult; offsets funds available under this act by any other Federal formula refugee educational assistance program funds; and authorizes the use of funds from the Federal Emergency Management Agency to any State or local government agency providing assistance for the processing, care, maintenance, security, transportation, and initial reception and placement in the U.S. of Cuban and Haitian entrants. H.R. 7859—Public Law 96-422, approved October 10, 1980. (VV)

Repeals section 501(c)(5) of the Refugee Education Assistance Act of 1980 which allows funds in the supplemental appropriation for refugee resettlement to be shifted from the Federal Emergency Management Administration (FEMA) to another agency. S. 3180—Public Law 96-424, approved October 10, 1980. (VV)

Reorganization authority extension: Extends for one year, until April 6, 1981, the President's current authority under chapter 9, title 5, U.S.C., to submit reorganization plans to Congress proposing the reorganization of agencies in the executive branch. H.R. 6585—Public Law 96-230, approved April 8, 1980. (VV)

Secret Service protection for Vice President and Mrs. Mondale: Authorizes the U.S. Secret Service to continue to protect Vice President and Mrs. Mondale following the inauguration of President-elect Reagan on January 20, 1981, and until July 20, 1981, if the President determines that he or she may be in danger. H.J. Res. 634—Public Law 96– , approved 1980. (VV)

Secret Service protection of candidates' spouses: Extends, from 60 days to 120 days, the period preceding the general election within which spouses or major including third party, Presidential and Vice Presidential candidates, upon request, are awarded Secret Service protection. H.R. 7786—Public Law 96-329, approved August 11, 1980. (VV)

Secretary of State salary: Provides that the salary of the Secretary of State shall be $63,000 (the level in effect for the Secretary of State on January 1, 1977) instead of $69,630 as at present, until noon, January 3, 1983 (the date Senator Muskie's term of office in the Senate expires thereby seeking to remove the constitutional barrier against his nomination which prohibits a Senator or Congressman from being appointed to a Federal office for which the salary has been increased during his or her Congressional term of office), and provides that any person ag-

grieved by any action of the Secretary of State may challenge the constitutionality of his appointment in a three-judge Federal district court with direct appeal to the Supreme Court. S. 2637—Public Law 96-241, approved May 3, 1980. (VV)

Smithsonian Institution—museum services: Authorizes $803,000 for fiscal 1981 and $1 million for 1982 to the Smithsonian Institution for carrying out the purposes of the National Museum Act of 1966 through which the Smithsonian assists museums with specific reference to the continuing study of museum problems and opportunities, training in museum practices, preparation of museum publications, research in museum techniques, and cooperation with agencies of the government concerned with museums. S. 1786—Public Law 96-268, approved June 13, 1980. (VV)

Space flight policy: Establishes as United States policy that no astronaut or participant in a space flight mission shall be unjustly enriched through the sale of items carried on a space vehicle; states as U.S. policy that items carried on Apollo missions and now in the possession of the U.S. be retained by the U.S. in order to avoid unjust commercialization of these missions; and expresses the sense of the Congress that the Attorney General should defend the U.S., NASA, or any official thereof in civil actions brought by or on behalf of astronauts to recover items carried on Apollo missions that are in the possession of the U.S. S.J. Res. 141—Passed Senate February 19, 1980. (VV)

USS Intrepid Memorial Museum: Authorizes, before the expiration of the 60-day congressional review period, the transfer of the obsolete aircraft carrier USS INTREPID from the U.S. Navy to the Intrepid Museum Foundation, Inc., a non-profit organization, which plans to convert the Intrepid into an aerospace and naval memorial museum at a permanent mooring on Manhattan's West Side. H.R. 8329—Public Law 96-488, approved December 2, 1980. (VV)

GOVERNMENT EMPLOYEES

Civil Service survivors benefits—Secret Service retirement: Amends title 5, U.S.C., to require that notification be given to the spouse of a retiring employee or Member who, at the time of retirement, elects not to provide a full survivor annuity to the spouse; and permits those members of the Secret Service who were appointed from the D.C. police force to credit periods of prior service with the Park Police, District Police, or Executive Protection Service towards the ten years service requirement needed to elect coverage under the D.C. retirement system, thus providing them with the same option which is now available to Secret Service personnel appointed from the Executive Protection Service. H.R. 5410—Public Law 96-391, approved October 7, 1980. (VV)

Civilian air traffic controllers retirement: Amends title 5, U.S.C., to extend to Department of Defense civilian air traffic controllers the same early retirement and second career training benefits presently applicable to Department of Transportation air controllers. H.R. 1781—Public Law 96-347, approved September 12, 1980. (VV)

Disability retirement determinations review: Permits de novo review by the Merit Systems Protection Board of agency-initiated involuntary disability retirements based on mental competency and allows such decisions to be appealed to a Court of Claims or a U.S. court of appeals. H.R. 2510—Public Law 96- , approved 1980. (VV)

Drug Enforcement Administration senior executive service: Establishes a Drug Enforcement Administration (DEA) Senior Executive Service to provide top DEA officials with the same incentives for excellence as enjoyed by those employees covered under the government-wide Senior Executive Service (including merit bonuses, performance rank awards, high mobility, opportunities for sabbatical leave, and flexible pay structures) while retaining the managerial prerogatives granted the DEA Administrator under the Crime Control Act of 1976. S. 2327—Passed Senate September 29, 1980. (VV)

Export-Import Bank employees: Amends the Civil Service Reform Act of 1978 to make the following provisions of that Act applicable to the Export-Import Bank: participation in the Senior Executive Service established to provide top government officials with incentives for excellence; the ban on prohibited personnel practices to make employees eligible for all of the protections which apply to others in the competitive service; and establishment, within one year, of performance appraisal and standards systems. S. 2267—Passed Senate September 29, 1980. (VV)

Federal employee life insurance: Amends the Federal Employees Group Life Insurance program to: increase the amount of life insurance paid for by the government to an employees annual salary plus $2,000 multiplied by two for employees under 35, and by two minus one-tenth for each year of age above 35 and below 45; provide for the purchase of additional life insurance up to five times the annual pay, with the cost to be borne by the employee; permit an employee to purchase a life insurance policy of $5,000 for a spouse and $2,500 for each child; and allow a retired employee to elect to pay to preserve the face value of his or her insurance or have it reduced by one percent each month after age 65. H.R. 7666—Public Law 96-427, approved October 10, 1980. (VV)

Federal employees travel expenses: Increases the per diem allowance (from $35 to a maximum of $50) and the actual daily expense reimbursement, applicable only to travel to certain designated high cost areas (from $50 to a maximum of $75), which may be paid to regular employees of the Federal Government, and to consultants and experts employed intermittently, who are traveling on official business within the continental U.S.; increases the maximum per diem rate (from $21 to $33 per day plus the prescribed locality per diem rate) for travel outside the continental U.S.; increases the mileage rates for the use of privately owned vehicles used while traveling on official business (automobiles—from 20 cents to 25 cents, airplanes—from 25 cents to 45 cents, and motorcycles—from 11 cents to 20 cents); and requires the Administrator of General Services to collect and report, with respect to agencies spending over $5 million annually transporting persons, information concerning travel costs, purposes, and inefficient practices. H.R. 7072—Public Law 96-346, approved September 10, 1980. (VV)

GAO personnel system: Establishes, within the General Accounting Office (GAO) under the authority of the Comptroller General, a personnel system for GAO employees that is independent from regulation by executive branch agencies; contains a number of safeguards to protect the rights of employees including the same merit systems principles established for the executive branch and coverage of title VII of the Civil Rights Act of 1964 forbidding employment discrimination; establishes a five-member GAO Personnel Appeals Board to perform those functions with respect to GAO personnel matters which are currently handled by the Office of Personnel Management and other executive agencies; establishes a General Counsel to the GAO Appeals Board to investigate and prosecute allegations of prohibited personnel practices and to investigate labor management and employment discrimination cases; grants the Comptroller General discretionary authority to establish a GAO Senior Executive Service and a system of merit pay following certain basic requirements parallel to those existing in the executive branch Senior Executive Service and merit pay system; and authorizes such sums as necessary for each fiscal year beginning with 1981. H.R. 5176—Public Law 96-191, approved February 15, 1980. (VV)

Handicapped employees—congressional campaign committees retirement benefits: Expands the Rehabilitation Act of 1973 to permit Federal agencies and advisory committees to employ personal assistants for Federal employees with severe physical disabilities both at their regular duty stations and while on official travel; provides for the use of personal assistants who are paid for directly by the disabled employee or by voluntary organizations; and permits Congressional employees, with five or more years service with either the Democratic or Republican Senatorial Campaign Committees or National Congressional Committees to credit such service for Civil Service Retirement purposes provided that the required deposits are made to the Fund. H.R. 7466—Public Law 96- , approved 1980. (VV)

NOAA Corps status equalization: Amends various acts to bring the Commissioned Officer Corps of the National Oceanic and Atmospheric Administration (NOAA) into closer parity with other divisions of the armed and uniformed services by: (1) permitting the voluntary interservice transfer of commissioned officers between NOAA and the military; (2) providing for advance payments to NOAA officers to meet expenses incident to a change in permanent duty station, when on duty at a distant duty station where pay is not regularly disbursed, or when his or her dependents are ordered evacuated; and (3) extending to NOAA officers the same benefits as members of the armed services with regard to filing for unemployment compensation. S. 1454—Public Law 96-215, approved March 25, 1980. (VV)

Political contributions by Federal employees: Amends title 18, U.S.C., to specify that voluntary contributions made by Federal employees to candidates for Federal office are unlawful only if they are made to the employee's "immediate employer". H.R. 6702—Passed House March 10, 1980; Passed Senate amended September 9, 1980. (VV)

Secret Service pay: Amends the District of Columbia Police and Firemen's Salary Act of 1958 to provide for the same cost-of-living adjustments in the basic compensation of officers and members of the United States Secret Service Uniformed Division as are given to Federal employees under the General Schedule. H.R. 7782—Public Law 96-396, approved October 7, 1980. (VV)

HEALTH

Animal cancer research: Authorizes $25 million annually for fiscal 1981 through 1986 to the Secretary of Agriculture to conduct, at appropriate facilities of the Department of Agriculture or by grants to other qualified research facilities, a program of basic research in the diagnosis, prevention, and control of cancer in domestic animals and birds; limits the amount that may be obligated annually for research at Department of Agriculture facilities to 30 percent; and requires an annual review of the program by the Secretary and the Director of the National Institutes of Health in order to coordinate the program with that of the National Cancer Institute. S. 2043—Public Law 96-469, approved October 17, 1980. (VV)

Asbestos Hazard Detection: Makes Federal financial assistance available for the detection and treatment of hazardous asbestos materials in school buildings by providing a two-tiered program of Federal assistance: (1) a grant program available to State and local education agencies and private schools to detect potential hazards, and (2) an interest free loan program available to school districts and private schools to contain or remove detected hazards; makes the pro-

grams retroactively available for activities carried out prior to enactment if they conform to the requirements established by the Secretary and were completed before January 1, 1976; provides an authorization through fiscal 1982 of $22.5 million for the grant program and $75 million for the loan program and contains a provision for establishing funding criteria in case of insufficient appropriations; permits the use of grant and loan funds to pay up to 50 percent of the costs of a particular project; gives the Secretary of Education responsibility for developing procedures to carry out the detection and control programs and the safety and control standards to conduct the containment and removal work; establishes a task force at the Federal level to compile and distribute scientific and technical information concerning the hazards associated with asbestos and the means of identifying suspected emission of asbestos fibers and to review applications for financial assistance; specifies the contents of applications for grants and loans under the act; requires grant recipients to permit the U.S. to sue any person whom the Attorney General determines to be liable for the costs of corrective activities and provides that the proceeds of any favorable judgment be used to repay the U.S. for the costs of these programs; forbids discharging or discriminating against an employee who brings to public attention any asbestos problem in a school building; and amends the Education of the Handicapped Act to increase from $200,000 to $300,000 the minimum amount for administrative costs to those States whose allotments under the program are less than the amounts which would allow them to use the program's five percent administrative setaside. S. 1658—Public Law 96-270, approved June 14, 1980. (VV)

Health professions training: Extends titles VII and VIII of the Public Health Service Act for fiscal 1982, 1983, and 1984, with modification to the construction assistance authorities, the student loan and scholarship programs, institutional support, and special projects; amends the National Health Service Corps program authorized in title III of the Public Health Service Act; extends the permissible length of stay of exchange visitor physicians for graduate education and training, and extends, through 1985, the limited authority to waive the 1976 requirements for entry of exchange visitor physicians, with a plan to phase-out dependence on such physicians; and requires the promulgation of Federal minimum standards for certification of persons who administer radiologic procedures and for the accreditation of programs for their training. H.R. 7203—Passed House September 3, 1980; Passed Senate amended September 19, 1980; In conference. (VV)

Health sciences promotion: Extends through fiscal 1982, the authorizations for the National Cancer Institute (NCI) and the National Heart, Lung and Blood Institute (NHLBI), and through fiscal 1983, the National Institute of Arthritis, Metabolism and Digestive Diseases which is renamed the National Institute of Arthritis, Diabetes, and Digestive and Kidney Diseases (NADDKD); authorizes therefor $1.773 billion for fiscal 1981 and $1.939 billion for 1982, plus an additional authorization of $42.9 million in 1983 exclusively for NADDKD; establishes within the Institute's Advisory Council separate subcommittees on: (1) diabetes and endocrine and metabolic diseases, (2) arthritis and musculoskeletal and skin diseases, (3) digestive diseases, and (4) kidney, urologic, and hematologic diseases, each headed by an Associate Director, and responsible for developing coordinated research and training plans, improving management approaches, monitoring and reviewing expenditures and recommending ways to identify and utilize research opportunities; requires the Director to report annually to Congress and the President on implementation of each of the current categorical diseases plans prepared under the National Arthritis Act of 1974, the National Diabetes Mellitus Research and Education Act, and the Arthritis, Diabetes and Digestive Disease Amendments of 1976; provides that a portion of the funds available to Diabetes Research and Training Centers and Multipurpose Arthritis Centers are to be used to pay unlimited stipends for health professionals in the centers' training programs; consolidates the existing interagency arthritis, diabetes, and digestive diseases coordinating committees as the Arthritis Interagency Coordinating Committee, the Diabetes Mellitus Interagency Coordinating Committee, and the Digestive Diseases Interagency Coordinating Committee, composed of the Directors of each of the national research institutes and divisions involved in research; establishes separate national advisory boards for arthritis, diabetes, and digestive diseases, each composed of 18 appointed members and several nonvoting, ex officio members, and responsible for improving Federal programs and coordinating government and nongovernment activities; provides for unlimited duration of initial or renewal arthritis or diabetes center grants; deletes the current requirement that the Secretary act through the Assistant Secretary of Health; deletes the specific legislative authority for an orthopedic intramural research program; makes health manpower authorities to: ensure that planning authorizations to provide for smoother, more equitable program administration; makes several technical changes in health manpower authorities to: ensure that guarantees for HEAL loans continue to be available in fiscal 1981 to new and current borrowers, provide that waivers of the provisions of the Immigration and Nationality Act regarding exchange visitor foreign medical graduates may continue to be granted through December 31, 1981, and allow National Health Service Corps scholarship recipients to enter private practice in a health manpower shortage area without first demonstrating that there is a sufficient financial base in the area to provide the individual with an income equal to that of NHSC members; and directs the Secretary of Health and Human Services to enter into a contract to review, within 12 months, past and on-going neurological research, including research on spinal cord regeneration following acute and chronic damage to the spinal cord, in order to identify areas of promise and to accompany this review with a five-year plan for neurological research. S. 988—Passed Senate June 18, 1980; Passed House amended August 28, 1980; Senate agreed to conference report December 1, 1980. (*230)

Infant formula: Adds a new section to Chapter IV of the Federal Food, Drug and Cosmetic Act to create a separate category of food designated "infant formula" and requires that such formulas meet specified standards of quality and safety; provides authority for the Secretary of the Department of Health and Human Services to establish nutritional, quality control, recordkeeping, notification, and recall requirements necessary to ensure that infant formula is safe and will promote healthy growth; gives the Secretary authority to inspect records and factory facilities necessary to monitor and effect formula recalls and to determine compliance with formula quality requirements; requires the Secretary to conduct a comprehensive scientific study to ascertain the long term health effect on infants of hypochloremic metabolic alkalosis (an illness which affected infants who consumed a formula dangerously deficient in chloride); requires the Secretary to conduct a review of infant formula labeling practices and their effect on infant nutrition and proper use and to conduct a review of Federal export policies as they apply to infant formulas; amends the Controlled Substances Act to require the Attorney General to provide State regulatory, licensing and law enforcement agencies annual descriptive and analytic reports on the distribution of schedule II controlled substances; amends the Psychotropic Substances Act of 1978 to continue indefinitely the distribution and reporting requirements for the PCP precursor piperidine; and amends the Controlled Substances Act to increase criminal penalties for trafficking in over 1,000 pounds of marihuana to a maximum of 15 years in prison and/or a $125,000 fine for first offenses and up to 30 years in prison and/or a $250,000 for second and subsequent offenses. H.R. 6940—Public Law 96-359, approved September 26, 1980. (VV)

Mental health systems: Establishes a partnership between local entities and agencies, State governments, and the Federal Government with regard to funding mental health programs; requires that each State designate a mental health administrative agency responsible for mental health programs; requires preparation of a State Health Plan, including provisions relating to the State's need for mental health service, special needs of certain groups, the overall adequacy of facilities and services, and State mental health priorities; directs each State agency to prepare a detailed mental health operations program, outlining the need for services of the chronically mentally ill, emotionally disturbed children and adolescents, the elderly, and other priority groups; includes provisions for the termination of payments to State entities, after notice and an opportunity for a hearing, if there is substantial and persistent failure of a State to comply with these requirements; authorizes, for various mental health services, $169 million for fiscal 1982, $195.5 million for 1983, and $228 million for 1984 plus such sums as necessary for each of these years to continue programs at existing Community Mental Health Centers;

Replaces the existing community mental health centers grant program with a broader, more flexible program under which local private nonprofit entities, local public agencies, or State agencies can apply for Federal funds to provide mental health services in one or more of eight specified categories of services; requires that programs specifically designed for chronically mentally ill patients must receive certain allocations of available Federal funds; requires that the Department of Health and Human Services negotiate performance contracts with local entities or State agencies prior to disbursement of funds; repeals certain planning and formula grant requirements contained in the Public Health Service Act and the Community Mental Health Centers Act, substituting a similar formula grant program;

Directs NIMH to establish an administrative unit to promote mental health and establish national prevention goals; requires the Director of the NIMH to designate an Associate Director for Minority Concerns; states the sense of Congress that each State should review and revise its laws, if necessary, to insure that mental health patients receive the protection and services they require, taking into account the recommendations of the President's Commission on Mental Health (the mental health Bill of Rights) and 15 specified rights, including the right to assert grievances; authorizes a voluntary advocacy program to be run by individual States provides that mental health records may be disclosed to qualified personnel in order to determine program eligibility; authorizes $6 million for 1981 and $1.5 million each for 1982 and 1983 for a continuing study of rape and for development and maintenance of a rape information clearinghouse; authorizes $6 million for

fiscal 1981, $9 million for 1982, and $12 million for 1983 for the establishment of demonstration, treatment, and training programs to assist rape victims; and

Amends title XX of the Social Security Act to strengthen the capabilities of States and the Federal Government to detect Medicaid fraud, waste, and abuse by requiring all States, unless waived, to install computerized medicaid management systems to administer the medicaid program and requiring that procedures be implemented to ensure that States administering the program continually utilize the most cost effective management techniques are continually utilized by all States which administer a medicaid program. S. 1177—Public Law 96-398, approved October 7, 1980. (*311)

Saccharin ban restriction: Extends from May 23, 1979, to June 30, 1981, the ban on actions by the Secretary of Health and Human Services to restrict or prohibit the sale or distribution of saccharin, including any food permitted by such interim food additive regulation to contain saccharin, or any drug or cosmetic containing saccharin. H.R. 4453—Public Law 96-273, approved June 17, 1980. (VV)

Swine health protection: Prohibits the feeding of garbage to swine unless it has been treated to kill disease organisms at a facility holding a valid permit issued by the Secretary of Agricuture or an authorized State official; requires such facilities to meet requirements set forth by the Secretary to prevent the spread of communicable diseases of animals or poultry; imposes certain administrative sanctions for violations of the act or regulations and criminal penalties of up to $10,000 and/or one year imprisonment for willful violations; authorizes the Secretary to enter into cooperative agreements with State agencies to assist in the administration and enforcement of the act; grants primary enforcement responsibility to those States having valid laws and regulations relating to garbage feeding; and requires the Secretary to appoint an advisory committee to consult with concerning matters within the scope of the act, including evaluating State programs to determine primary enforcement responsibility and assure effective coordination among State and Federal programs. H.R. 6593—Public Law 96-468, approved October 17, 1980. (VV)

HOUSING

Home purchase assistance: Amends the Emergency Home Purchase Assistance Act to impose the following two additional conditions on the activation of the program: (1) requires the Secretary to determine that the implementation of the section will not significantly worsen inflationary conditions, and (2) prohibits activation of the program unless the most recent four-month average annual rate of private housing starts (seasonally adjusted and exclusive of mobile homes) as calculated by the Director of the Bureau of the Census, is less than 1.6 million and automatically deactivates the program once this figure is exceeded; broadens the Secretary's authority to include the purchase of loans in addition to mortgages; includes mobile homes among the kinds of housing eligible for the program; increases mortgage limits for more than four family residences to the per unit amounts permitted under that section of the National Housing Act under which the project is insured and makes loan limits for mobile homes the same as those contained in section 2(b) of the National Housing Act; deletes the existing 7½ percent maximum on interest rates under the program, and provides instead that the interest rate be set by the Secretary but should not exceed the maximum rate applicable to mortgages insured under section 203(b) of the National Housing Act and shall not be lower than three percentage points below the average contract commitment rate maintained by the Federal Home Loan Bank Board for single family home mortgages or lower than 4½ percentage points for a multifamily mortgage; increases the sales price under the program as follows: for a one-family residence, 90 percent of the average new one-family house price in the area, as determined by the Secretary; for a two-family residence, 100 percent of such average; for a three-family residence, 120 percent of such average; and for a four-family residence, 140 percent of such average; gives the Secretary discretion to direct a portion of assistance to promote construction of multifamily housing; extends the program to existing housing constructed more than one year prior to the date of the issuance of the commitment to purchase the mortgage; increases the mortgage amounts for multifamily dwellings to the limits specified in section 207 of the National Housing Act in the case of rental projects, section 213 for a cooperative project, or section 234 for condominium project; prohibits the purchase of mortgages to finance the conversion of an existing rental housing project into a cooperative or condominium, or to finance the purchase of an individual unit in a converted cooperative or condominium;

Section 235. Home Ownership: Creates a special section 235 home ownership assistance program that would authorize below market interest rate mortgages; reduces effective subsidized mortgage rates to as low as 11 percent, rather than as low as four percent, under the present program; authorizes the Secretary of HUD to add a graduated payment mortgage feature to the program to reduce the homebuyer's effective interest rates to as low as eight percent; makes available assistance payments for persons buying dwellings that sell for up to 80 percent of the average new house price for their area, or $60,000, whichever is higher; authorizes the Secretary to set income levels by area, but directs that moderate income persons be served to the maximum extent feasible; limits recapture of the Federal subsidy to 50 percent rather than 75 percent of net appreciation upon sale of the home; authorizes HUD to use $135 million of its remaining $165 million already appropriated to support the revised section 235 provisions; provides that the program shall remain in effect only through March 1, 1981, unless the Secretary of HUD determines that there is no longer a need for emergency stimulation of the housing market; requires homebuyers to contribute at least 20 percent of their income toward mortgage principal, interest and property taxes; adds technical provisions overriding the limit that no more than 40 percent of the homes in a subdivision can be assisted by the present 235 program and the requirement for local government review for consistency with housing assistance plans of projects with more than 12 houses; and amends the Depository Institutions Deregulation Act of 1980 to make clear that the highest rate allowed either under State or Federal law can be charged on floating rate loans made prior to April 1, 1980, upon written consent. S. 2177—Passed Senate April 22, 1980. (Note: Comparable provisions are contained in conference report on H.R. 2719, which the Senate agreed to on September 30, 1980.) (*82)

Housing and community development: Amends and extends certain Federal housing and community development programs and authorizes approximately $47 billion for housing, flood mapping, and rural housing programs in fiscal 1981 and for community development programs in fiscal 1981 through 1983;

Community and Neighborhood Development and Conservation: Reauthorizes the community development block grant program at $3.81 billion for fiscal 1981, $3.96 billion for 1982, and $4.11 billion for 1983; provides $275 million for a set-aside of community development block grant funds for nonentitlement metropolitan communities; extends for two years the section 312 rehabilitation loan program at a total amount of $273 million and expends its use to congregate and single room occupancy structures; increases loan limits for the section 312 program to a maximum of $33,500 per dwelling unit for residential properties, $15,000 for congregate housing and $25,000 for single room occupancy structures; reauthorizes the neighborhood self-help development program at $10 million for fiscal 1981; authorizes $675 million for an expanded Urban Development Action grant for 1981-83 and aggregates authorizations prior to 1981 for UDAG at not to exceed $1.475 billion;

Housing and Assistance Programs: Authorizes $31.2 billion to fund 282,000 units of public housing and section 8 subsidized private rental housing, at a mix of new to existing units of 50-50; inaugurates a far-reaching new program aimed at the comprehensive modernization of the nation's public housing stock; authorizes public housing operating subsidies totaling $862 million for fiscal 1981; reauthorizes operating assistance for troubled multifamily housing projects for fiscal 1981 at $31.2 million; extends the public housing anticrime demonstration programs; and allows public housing agencies to use public housing funds as the non-Federal match to secure funds for Federal grant-in-aid programs; contains a new program to stimulate housing construction modeled on the section 235 homeownership assistance program of interest subsidies to persons earning up to 130 percent of median area income; includes a recapture of the subsidy upon sale of the home; revamps the Brooke-Cranston housing stimulus program; establishes a new program of temporary mortgage assistance payments for insured homeowners who find themselves in default for reasons not of their own making;

Extends all basic FHA authorities for single family and multifamily housing programs, and revises the manner in which FHA mortgage limits for single family dwellings are determined to reflect the special characteristics of high cost markets; provides for an experimental program of negotiated interest rates on up to ten percent of FHA insured mortgages; extends on a permanent basis the Home Mortgage Disclosure Act and strengthens its provisions to combat redlining; delays implementation of building energy performance standards for up to two years and transfers the responsibility for implementation from HUD to DOE; permanently extends the disposition of HUD-owned multifamily rental housing projects; reauthorizes the Neighborhood Reinvestment Corporation at $13,426,000 for fiscal 1981; revises the FHA section 233(f) refinancing program to permit an interest subsidy on loans through the Government National Mortgage Association (GNMA), and to curtail the use of the program for cooperative conversions; reauthorizes targeted tandem projects to the comparable FHA limits;

Planning Assistance: Revises and reauthorizes the comprehensive planning program of the Housing Act of 1954 at $40 million annually for fiscal 1981 through 1983;

Condominium and Cooperative Abuse Relief Act: States the sense of Congress that tenants are entitled to adequate notice of a conversion and to receive first opportunity to purchase units and that is the responsibility of State and local governments to provide for such rights; provides a measure of relief through court action for owners of condominium units who are burdened by escalating monthly payments for recreational facilities under unconscionable leases;

National flood insurance studies: Author-

izes $61.6 million for fiscal 1981 to carry out mapping studies of flood-prone communities in order to establish premium rates for the regular flood insurance program on a sound actuarial basis;

Rural housing: Extends, amends, and authorizes $493 million for fiscal 1981 for housing and related programs administered by the Farmers Home Administration of the Department of Agriculture; limits FmHA's capacity to insure and guarantee loans to a maximum of $3.79 billion. S. 2719—Public Law 96-399, approved October 3, 1980. (VV)

Mortgage insurance authorities: Extends through October 15, 1980, certain Federal housing authorities which are due to expire on September 30, 1980, in order to guarantee continuation of the authority of the Secretary of HUD to: (1) insure mortgages or loans under certain HUD-FHA mortgage or loan insurance programs, (2) administratively set interest rates for FHA-insured mortgage loans to meet the market at rates above the statutory maximum; and (3) enter into obligations to make rehabilitation loans under the Housing Act of 1964; extends to October 15, 1980, the authority of the Government National Mortgage Insurance Association to enter into new commitments to purchase mortgages under the interim mortgage purchase authority contained in the National Housing Act; and extends certain authorities under title V of the Housing Act of 1949 with respect to the Farmers Home Administration rural housing programs. S.J. Res. 209—Public Law 96-372, approved October 3, 1980. (VV)

INDIANS

Alaska Native Roll: Provides for the removal of certain Alaska Natives from the Alaska Native Roll, established pursuant to the Alaska Native Claims Settlement Act, to allow their enrollment with the Metlakatla Indian Community. H.R. 5108—Public Law 96- , approved 1980. ; (VV)

Cheyenne Indian reservation coal leases: Authorizes the Secretary of the Interior to negotiate and execute canecellation agreements between the Northern Cheyenne Indian Tribe and certain companies holding coal leases and coal exploration permits on the Reservation; provides that the companies, in return for giving up all rights to such land, may receive an award of non-competitive coal leases on Federal bypass coal deposits and/or bidding credits for use at competitive sales; exempts leases to lands held in trust for Indians or Indian tribes and lands subject to land use planning and environmental analysis; reduces the amount of bidding rights by whatever percentage of coal deposits are not recoverable; subjects all leases to the Mineral Leasing Act of 1920 and the Surface Mining Control and Reclamation Act; sets November 1, 1980, and January 1, 1982, as the dates on which agreements to cancel leases or permits or rights to a lease, respectively, must be signed; provides that, if no agreement is signed, leases shall be automatically cancelled on November 1, 1980, and permits or rights to leases 90 days after the parties agree in writing that negotiations are at an impasse or on January 1, 1982, whichever is earlier; and grants the U.S. Court of Claims jurisdiction over any claim arising out of such cancellation. S. 2126—Public Law 96-401, approved October 9, 1980. (VV)

Cow Creek Band of Umpqua Indians: Waives the statute of limitations in the Indian Claims Commission Act of 1946 to permit the Cow Creek Band of the Umpqua Indians of Oregon to file a claim, within five years of enactment, against the United States for alleged failures to uphold treaty obligations; states that the Court of Claims shall make deductions for offsets that would have been permitted under the Indian Claims Commission Act, which provided that "expenditures for food, rations, or provisions shall be deemed payment on the claim"; allows for costs and attorney's fees not to exceed ten percent of the award; and provides that loans from a revolving fund may be made by the Secretary of Interior to the Band to finance expert assistance other than that of counsel. S. 668—Public Law 96-251, approved May 26, 1980. (VV)

Delaware Indian judgment funds: Lists and incorporates all of the Indian Claims Commission dockets which have been reduced to final judgment and appropriated for the Delaware tribes; directs the Secretary of the Interior to prepare a roll which includes the Kansas and Idaho Delawares who, by legislative oversight, were excluded from a 1972 distribution of an Indian Claims Commission judgment; directs the Secretary to establish a special fund from appropriated but undistributed judgments for the Delawares out of which the payment for the Kansas and Idaho tribes shall be made up; establishes a limit on the amount that may be paid in make up which is premised on 1,000 eligible distributees regardless of the number of eligible persons and provides that each person receive an initial distribution of $1,488.22; allocates ten percent of this special fund for attorney fees: provides, following establishment of the makeup fund, that 17 percent of the remaining balance of the undistributed judgment funds be apportioned to the Delaware Tribe of Western Oklahoma (Absentee Delawares) with no more than 60 percent distributed on a per capita basis and the remainder programmed for tribal social and economic purposes; provides for the preparation of rolls for the Cherokee, Kansas, and Idaho Delawares and directs that the funds remaining after the special distributions be allocated on a per capita basis among these three groups; safeguards funds paid to legal incompetents and beneficiaries of deceased eligible persons; establishes an escrow fund for possible enrollment appeals and provides for the distribution of funds from unsuccessful appeals to the tribe in which the claimant claimed membership; exempts distributions from Federal or State income tax; makes clear that this Act shall not be construed as extending Federal recognition to the Kansas or Idaho groups; and establishes deadlines for enrollment procedures. S. 1466—Public Law 96-318, approved August 1, 1980. (VV)

Gila River Pima-Maricopa Indian judgment distribution: Provides for the use and disposition of the judgment funds awarded the Gila River Pima-Maricopa Indian Community by the Indian Claims Commission in dockets 236-A and 236-B comprising in excess of $1.5 million and in docket 236-E comprising approximately $5 million. S. 2508—Public Law 96-319, approved August 1, 1980. (VV)

Indian claims settlement—Maine: Implements and ratifies the terms of the settlement negotiated among the Passamaquoddy Tribe, the Penobscot Nation, the Houlton Band of Maliseet Indians, the State of Maine, the private owners of large tracts of land, and the United States; authorizes $27 million for the establishment of a Maine Indian Claims Settlement Fund of which $13 million each will be held for the benefit of the Tribe and the Nation and administered in accordance with terms set by the respective Tribe or Nation and agreed to by the Secretary of Interior; requires the Tribe and the Nation to retain as reservations those lands and natural resources reserved for them in their treaties with Massachusetts and not subsequently transferred by them; entitles the tribes to all Federal Indian services and benefits awarded other Federally-recognized tribes; includes various guarantees concerning jurisdictional matters and entitlement to State services; authorizes $54.5 million for the establishment of the Maine Indian Lands Acquisition Fund which will be used to acquire 150,000 acres of privately owned land each for the Tribe and the Nation, and 5,000 acres for the Band to be held in trust; defers acquisition of lands for the Band pending negotiation with the State on their location and other matters of concern to the parties; adopts and ratifies the Maine Implementing Act which sets forth terms of agreement with respect to the jurisdiction of the Tribe, the Nation, and the State and the legal status of these tribes under State law; authorizes the State to amend provisions of that Act only upon prior consent of the Tribe and the Nation; provides, in order to facilitate implementation of the Maine Act, that the Tribe, Nation, and Band, and their members may, subject to the limitation on internal affairs contained in the Maine Act, sue and be sued in State and Federal courts to the same extent as any other person or entity, provided that principles of the immunity applicable to municipalities in the State are equally applicable to the Tribe and the Nation and their offices when acting in their governmental capacities; authorizes payment by the Secretary of income from the Trust Settlement Fund in satisfaction of valid, final orders of the courts; exempts the trust and restricted lands and trust fund of the Tribe, Nation, and Band from levy, attachment, or alienation; authorizes the State and the Band, following enactment, to enter into negotiations to seek a method by which the Band may satisfy any obligations it incurs; authorizes the Tribe, Nation, and Band to adopt and file organizational documents with the Secretary; provides for the implementation of the Indian Child Welfare Act of 1978 by the Tribes; prohibits the availability or distribution of funds from the Settlement Fund to be considered as income or resources for purposes of denying or reducing Federal financial assistance or other Federal benefits to which the Tribe or Nation or their members would otherwise be entitled; provides for a deferral of capital gains for private property owners transferring lands to the United States under this Act; provides for the transfer of tribal trust funds from the State to the Secretary; discharges the State from existing or further claims; provides that this Act shall govern in the event of a conflict between this Act and the Maine Implementing Act; provides that Federal statutes subsequently enacted that are designed for the benefit of Indians or Indian tribes and which materially affect or preempt State laws, including the Maine Implementing Act, shall not apply within the State unless specifically made applicable to the State. H.R. 7919—Public Law 96-420, approved October 10, 1980. (VV)

Indian claims under Fort Laramie and 1855 treaties: Authorizes the U.S. Court of claims to hear and render judgment, without regard to the technical defense of res judicata (a matter once decided is finally decided) or collateral estoppel (precludes litigation of an issue which has been effectively and conclusively determined in a previous judgment by a court), or any fifth amendment claim filed against the United States by the following tribes seeking an award of interest for land taken by the U.S.

Assiniboine Tribe: For 6,477,490 acres of land taken under the 1851 Treaty of Fort Laramie for which the Tribe was awarded 50 cents per acre under a 1933 Court of Claims settlement but denied its interest request with instructions that the Court disregard the $2,492,319 of the Tribe's own money that in the 1933 decision was used to offset the award of $3,238,970; and ensures that the U.S. will be credited for the amount of $1,242,796 paid to the Tribe under the Act of January

8, 1971, in the event of a favorable court ruling. S. 1796—Public Law 96-434, approved October 10, 1980. (VV)

Blackfeet and Gros Ventre Tribes: For 12,261,749 acres of land taken under the 1855 Treaty for which the tribe was awarded 50 cents per acre under a 1933 Court of Claims settlement but denied its interest request with a prohibition on the deduction of offsets or gratuities after the date of the accounting in the prior case from any award that may be made under this Act. S. 1795—Public Law 96-405, approved October 9, 1980. (VV)

Fort Berthold Reservation: For 9,846,186 acres of land taken under the 1851 Fort Laramie Treaty for which the tribe was awarded 50 cents per acre under a 1930 Court of Claims settlement but denied its interest request with a prohibition against the deduction of offsets and gratuities subsequent to the date of the accounting in the prior case from any award that may be made in this Act. S. 341—Public Law 96-404, approved October 9, 1980. (VV)

Indian health care: Amends and extends for four years, through fiscal 1984, various programs under the Indian Health Care Improvement Act (Indian health manpower, Indian health services, Indian health facilities, and health services for urban and other nonreservation Indians) and the Public Health Service Act (health professions scholarship program) with respect to Indian health care; and requires IHS to designate the State of Arizona as a contract health care service delivery area during fiscal 1982 through 1984 for the purpose of providing contract health care services to Indians of that State. S. 2728—Public Law 96- , approved 1980. (VV)

Indian interstate compacts: Authorizes States and Indian tribes to enter into mutual agreements and compacts, for periods of up to five years, respecting jurisdiction and governmental operations in Indian country on matters relating to: (1) the enforcement or application of civil, criminal, and regulatory laws of each within their respective jurisdictions; (2) allocation of determination of governmental responsibility over specified subject matters and/or geographical areas; and (3) agreements or compacts which provide for the transfer of jurisdiction of individual cases from tribal courts to State courts or State courts to tribal courts in accordance with procedures established by the laws of the tribes and States; authorizes $10 million for fiscal 1981 and such sums as may be necessary thereafter to the Secretary of the Interior to provide financial assistance for personnel and administrative costs incurred in implementing these agreements and contracts; directs the Secretary to encourage the establishment of joint tribal-State organizations to confer on jurisdictional questions existing between the parties; and enforce agreements and compacts authorized by the bill. S. 1181—Passed Senate May 30, 1980. (VV)

Indian judgment funds: Validates a number of Indian judgment fund distribution plans which were not submitted to Congress by the Secretary of Interior within the specified time frame required under the Distribution of Judgment Funds Act (Public Law 93-134), in order to avoid any legal challenge which could arise with respect to timely submission. S.J. Res. 108—Public Law 96-194, approved February 21, 1980. (VV)

Indian land inheritance: Amends certain laws to authorize an Indian to transfer, by will, his or her interest in trust or restricted real property to a lineal descendant or to another Indian for whom the Secretary of the Interior is authorized to hold land in trust. S. 2223—Public Law 96-363, approved September 26, 1980. (VV)

Indian trade: Repeals and amends specified laws regulating trade between Indians and certain Federal employees in order to permit such trade under regulations prescribed by the President; maintains the ban against trade between Indians and persons employed by the Bureau of Indian Affairs or the Indian Health Service; permits the Secretary of the Interior to ratify any transaction which occurred prior to enactment of this bill that would otherwise be in violation under existing law but would be legal under this act; and directs the Secretary to hold approximately ten acres of Federally-owned land near Olympia, Washington, for the Wah-He-Lute Indian School to be used as an Indian school and community center for educational or cultural purposes. H.R. 3979—Public Law 96-277, approved June 17, 1980. (VV)

Indian tribal claims: Extends from April 1, 1980, to December 31, 1982, the period of time in which the United States may bring an action for damages arising from a contract or a tort claim on behalf of an Indian tribe, band, or group, or on behalf of an individual Indian whose land is held in trust or in restricted status where the claim accrued prior to July 18, 1966, and is filed and identified by December 31, 1981; and requires the Secretary of Interior, after consultation with the Attorney General, to submit to Congress by June 30, 1981, a report which details legislative proposals to resolve those Indian claims that they feel are not appropriate to resolve by litigation. S. 2222—Public Law 96-217, approved March 27, 1980. (VV)

Mille Lacs Band of Minnesota Chippewa Indians: Directs the Secretary of Interior to acquire and hold in trust certain privately-owned lands located in Mille Lacs County, Minnesota, to be used as a burial ground for the Mille Lacs Band of the Minnesota Chippewa Indians. S. 1464—Vetoed October 11, 1980. (VV)

Moapa Indian Reservation: Transfers 70,500 acres of Federal land in Nevada to the Moapa Band of Paiutes to be held in trust for the Tribe by the United States; reserves all existing rights in and on the land, including water rights and certain power and transportation corridors; and provides that all mineral rights from the land would be retained by the U.S. S. 1135—Public Law 96-491, approved December 2, 1980.

Navajo and Pueblo de Jemez Indian lands: Repeals section 211 of the Act of May 25, 1918, which prohibits the creation of or addition to a reservation within New Mexico and Arizona except by Act of Congress, in order to permit the Navajo and Pueblo de Jemez tribes of New Mexico and Arizona to add any lands they acquire to their reservations; makes applicable to both tribes, sections 5 and 7 of the Indian Reorganization Act of 1934 (25 U.S.C. 461 et seq) which authorizes the Secretary to acquire lands in trust and proclaim new or add to existing reservations for Indian tribes, respectively, thereby putting all tribes in Arizona and New Mexico in the same status as those tribes in other States to which the Act applies, as well as those tribes in their States for which special jurisdictional acts have been enacted. S. 1832—Passed Senate January 25, 1980. (VV)

Navajo-Hopi relocation: Provides for the enlargement of the existing Navajo Reservation in Arizona by authorizing the transfer of 250,000 acres of Bureau of Land Management (BLM) lands to the tribe at no cost; specifies that private lands to be acquired must be within 18 miles of the existing boundaries of the reservation and requires that BLM lands not within the 18-mile limit may be used only to trade for private lands within the area; provides that, for the first three years, the Navajo Tribe, in consultation with the Navajo and Hopi Relocation Commission, will select the lands to be acquired or transferred; calls for the submission of progress reports during the three-year period; authorizes the continuation of payments under the Payments-in-Lieu of Taxes Act of 1976 (which does not include Indian lands as lands eligible for such payments) on public lands transferred to the tribe as if the transfer had not occurred; prohibits the Secretary of Interior from taking private lands in trust for a period of three years unless both the surface and subsurface have been acquired by the tribe or unless the subsurface owner consents to transfer the surface estate to trust status; makes clear that subsurface owners have access to the surface of lands transferred to the tribe to develop their mineral interests as they had prior to the transfer; provides that lands acquired for relocation purposes must be used solely for that purpose and administered by the Commission until relocation under the Commission's plan is complete or the Commission is terminated;

Repeals that section of the Navajo-Hopi Land Settlement Act of 1974 which authorizes the district court of Arizona to award limited life estates and instead authorizes the Commission to award up to 120 life estates, made up of 90 acres each, to those Navajo and Hopi Indians meeting certain criteria; requires that priority in awarding life estates be given to the disabled, elderly, and residents of the Mig Mountain area; requires that the physical area of each estate be fenced in; provides for an additional ten estates to Hopi families living on Navajo partitioned lands which would be governed by the same criteria as the Navajo estates; requires the Secretary to protect the rights and benefits of life tenants and persons awaiting relocation; and provides for the complete assumption of jurisdiction over the lands by the tribe to whom partitioned no later than April 18, 1981. S. 751—Public Law 96-305, approved July 8, 1980. (VV)

Paiute Indian Tribe Restoration: Restores all rights and privileges, other than hunting, fishing, and trapping, under any Federal treaty, Executive Order, agreement, or statute, to the Shivwits, Kanosh, Koorsharem, and Indian Peaks Bands of Utah Paiute Indians which were terminated on September 1, 1954, and confirms these rights and privileges with respect to the Cedar City Band of Paiute Indians, which was never officially terminated; specifies a procedure by which membership in the tribe is to be established; provides for an election to adopt a constitution and bylaws; provides for an interim council to represent the Tribe and be its governing body pending election of tribal officials; directs the Secretary of Interior to develop a plan to enlarge the reservation up to a maximum of 15,000 additional acres and to submit the plan, in the form of proposed legislation, to the appropriate Congressional committees within two years of enactment; bars any legal claim for land owned by the tribe and lost through tax or other sales since September 1, 1954; and authorizes the Secretary to promulgate such rules and regulations as necessary to carry out the act. H.R. 4996—Public Law 96-227, approved April 3, 1980. (VV)

Pamunkey Tribe-Southern Railway land settlement: Ratifies the land dispute settlement agreement entered into on November 21, 1979, between the Pamunkey Indian Tribe of Virginia and the Southern Railway Company which provides that the tribes' claims against the railroad for eviction and trespass be waived in return for a payment of $100,000 plus periodic rental payments beginning ten years thereafter; provides that all transfers are deemed to be made in accordance with applicable U.S. laws, including the Nonintercourse Act which prohibits the acquisition of any interest in Indian land without Congressional approval; waives any land claims the Tribe or its members have against the U.S.; waives all income tax liabilities with respect to the payment received by the Tribe but requires that subse-

quent payments by the Tribe to individuals out of these funds must be included in the gross income of the individual and subject to income tax; authorizes the tribe to grant easements, rights-of-way, and term leases on their lands, but provides that a sale of tribal lands will be subject to relevant Federal laws; provides that nothing in the legislation will constitute Federal recognition of the Pamunkey Tribe, nor prevent the Tribe from seeking Federal recognition or acknowledgement under existing law; and provides that the provisions of this act will prevail over any inconsistent Federal law. H.R. 7212—Public Law 96-484, approved November 24, 1980. (VV)

Ramah Band of Navajos: Declares that title to 13,385.43 acres of land lying within the boundary of the Ramah Navajo Reservation in New Mexico be held in trust for the Ramah Band of the Navajo Tribe. S. 1730—Passed Senate January 22, 1979; Passed House amended August 19, 1980. (VV)

Siletz Indians: Provides, pursuant to the Siletz Indian Tribe Restoration Act of 1977, that 3,630 acres of Bureau of Land Management land, located in Lincoln County, Oregon, and a 33.55 acre tract owned by the city of Siletz (known as Government Hill) be held in trust for the establishment of a reservation for the Confederated Tribes of the Siletz Tribes of Oregon; reextends all rights and privileges to the tribes, except for hunting, fishing, and trapping unless declared and set forth in the final judgment and decree of the U.S. District Court for the district of Oregon, in an action entitled Confederated Tribes of Siletz Indians of Oregon Against State of Oregon, entered May 2, 1980; provides that the State of Oregon shall continue to have civil and criminal jurisdiction on the Siletz Reservation; and authorizes the Secretary of Interior to pay to the city of Siletz up to $5,000 for the transfer of Government Hill. S. 2055—Public Law 96-340, approved September 4, 1980. (VV)

Standing Rock Sioux land inheritance: Establishes, at the request of the Standing Rock Sioux Tribe of North and South Dakota, a code of laws to govern inheritance of trust or restricted lands on the Standing Rock Sioux Indian Reservation which contains specific provisions designed to limit the right to such inheritance to persons meeting certain specific requirements; provides uniform descent laws for property of an Indian who dies intestate; and provides that the Act apply only to estates of descendants whose death occurs after enactment. H.R. 2102—Public Law 96-274, approved June 17, 1980. (VV)

Tribal distribution of trust fund per capita payments: Authorizes Indian tribes, upon development of an approved plan, to issue per capita checks from tribal trust funds to individual members of their tribes; maintains that funds distributed under the act will not be liable to pay any previous tribal obligations or affect the requirements of the Judgment Funds Distribution Act of 1973; and repeals the two statutes prohibiting tribes from making per capita payments to their members. S. 2767—Passed Senate July 21, 1980. (VV)

Tribally-controlled community colleges: Amends the Tribally-Controlled Community Colleges Act of 1978 (Public Law 95-471) by enabling an Indian who is eligible for Bureau of Indian Affairs services to enroll in a tribal college even though he or she is not a tribal member; broadens the term "tribally-controlled community college" to encompass vocational-technical and adult education programs, by substituting the term "post-secondary institution" for "institute of higher education" and redefining it in order to make such colleges eligible for technical assistance grants from the Secretary, whether or not they satisfy the accreditation requirements of a post-secondary institution; and increases the annual authorization for technical assistance grants from $3.2 million to $10 million for fiscal 1981 and 1982. S. 1855—Passed Senate January 25, 1980. (VV)

Tule River Indian Tribe: Restores to and holds in trust for the Tule River Indian Tribe, Porterville, California, approximately 1,200 acres of land which are presently within the boundaries of the Sequoia National Forest; provides for the maintenance of valid existing rights-of-way, permits and leases on the land to be transferred; and provides a right-of-way to the Forest Service for access through such lands. S. 1998—Public Law 96-338, approved September 4, 1980. (VV)

Ute Indians: Conveys approximately 3,100 acres of Bureau of Land Management land in Colorado, including mineral rights, to the Ute Mountain Ute Indian Tribe as compensation for 15,000 acres of land in New Mexico given them under an 1895 agreement which they forfeited as a result of a 1972 Supreme Court ruling that upheld a Navajo claim to these same lands under a treaty executed prior to 1895; provides that the land be subject to State and local jurisdiction and not be considered "Indian country" for any purpose; and authorizes $4 million to the Tribe and specifies that the funds may be used only for energy development and subject to a plan developed by the Tribe and approved by the Secretary. H.R. 8112—Public Law 96-492, approved December 2, 1980. (VV)

INTERNATIONAL

Azores earthquake assistance: Amends the Foreign Assistance Act of 1961 to authorize $10 million in international disaster assistance funds for fiscal 1980 for disaster relief and reconstruction efforts in the Azores Islands of Portugal in order to alleviate the human suffering caused by a major earthquake on January 1, 1980. S. 2194—Passed Senate February 28, 1980. (VV)

Canada commendation: Commends, on behalf of all Americans, the Government of Canada for its actions in protecting certain United States citizens and arranging for their departure from Iran. S. Res. 344—Senate agreed to January 30, 1980. (VV)

China trade: Approves the extension of nondiscriminatory (most-favored-nation) treatment with respect to products which the U.S. imports from the People's Republic of China which was transmitted by the President on October 23, 1979. H. Con. Res. 204—Action completed January 24, 1980. (*13)

Foreign service reform: Revises and consolidates, effective February 15, 1981, provisions of law relating to the Foreign Service, restructures personnel categories and pay schedules, establishes labor dispute procedures, reemphasizes the merit principles of the Service, and expands the equal employment opportunity programs; establishes a new Senior Foreign Service, comparable to the Senior Executive Service, and provides for entry into the Senior Foreign Service via special threshold performances evaluation boards which would apply higher standards than those now applied to persons considered for promotion to the senior ranks; permits members of the Senior Foreign Service to serve for a limited period of time in each of its three grades, and failure to achieve promotion to the next within that period would lead to retirement; restricts the use of authority for career extensions, thus preventing the removal of senior officers for political reasons; allows limited extension of career appointments on the basis of outstanding performance; provides for annual review of the performance of all personnel in the Senior Foreign Service and for the separation of those whose performance fails to meet the standard of their class; reduces the number of personnel categories from more than a dozen to two—with single pay scale for both; requires an annual report to Congress on personnel assigned to positions one or more grades higher or lower than the rank assigned to the position; raises the mandatory retirement age from 60 to 65; provides a statutory basis for labor-management relations by creating a new Foreign Service Labor Relations Board and a Foreign Service Impasse Disputes Panel; provides requirements for granting career tenure, performance evaluation promotions based on merit principles, and selection out for substandard performance for all members of the Foreign Service from top to bottom; provides a clear distinction between Foreign Service and Civil Service employment, prevents a windfall salary increase for those individuals who convert from Foreign Service to the Civil Service; defers until July 1, 1981, conversion to the Civil Service of domestic specialists in the International Communications Agency; eliminates the "domestic" Foreign Service personnel category and limits Foreign Service career status only to those people who accept the discipline of overseas service; improves interagency coordination in the interest of maximum compatibility among agencies employing Foreign Service personnel and compatibility between the Foreign Service and the Civil Service; recodifies and consolidates the various laws relating to Foreign Service officers based on outstanding performance; and establishes a clear and precise linkage between the Foreign Service Schedule and the General Schedule to rectify the present salary discrepancies between the two schedules. H.R. 6790—Public Law 96-465, approved October 17, 1980. (VV)

Helsinki accords: Reaffirms Congressional support for full implementation of all provisions of the Helsinki Final Act by all signatories; states the sense of the Congress that human rights concerns be given serious and prominent attention at the Madrid Conference on November 11, 1980; specifically urges the U.S. delegation to Madrid to raise violations of human rights, especially those involving members of Helsinski monitoring groups, in a firm forthright and specific manner; and directs the delegation to seek a continuation of the review process and thus maintain a forum in which to influence the Soviets and others to implement the agreement by setting the time and place of the next review meeting within two years. H. Con. Res. 391—Action completed August 1, 1980. (VV)

International development and security assistance: Authorizes $4,981,776,000 for international security and development assistance and Peace Corps programs in fiscal 1981; contains $665.1 million for military aid programs includes military aid in the amount of $1.4 billion to Israel with $500 million grant, $551 million to Egypt, $252 million to Turkey, $183 million to Greece, and $175 million to the Republic of Korea; contains $2,065,300,000 for Economic Support Fund programs of which $785 million is earmarked for Israel, $750 million for Egypt which shall remain available until expended, and $200 million for Turkey; Authorizes $25 million in fiscal 1981 for ongoing international peacekeeping operations in the Sinai and in Cyprus; authorizes $38.6 million for International Narcotics Control programs; raises the ceiling on commercial arms exports from $35 million to $100 million; requires Presidential reports on Soviet troops in Cuba and on leases of U.S. military property to foreign governments; contains $233,350,000 for voluntary contributions to international organizations and programs and $118 million for the Peace Corps; $293.8 million for AID's operating expenses; changes the name of AID's Auditor General to Inspector General and provides the Inspector General with authorities similar to those of Inspectors General of other agencies; urges the

President to consider a foreign government's position on participation in the Olympic Games boycott when determining levels of assistance for that country; exempts exports of depleted uranium to be used for defense, unrelated to its radioactive properties, from provisions of the Atomic Energy Act of 1954 and the Nuclear Nonproliferation Act of 1978 when such exports are already subject to controls provided in the AECA or the Export Administration Act of 1979; amends the Export Administration Act by requiring the President to notify the Senate Foreign Relations Committee prior to commercial sales of military items and broadening the category of items considered potentially useful to terrorists; provides for the establishment of the African Development Foundation to channel small amounts of development assistance to local community groups and institutions in Africa to support indigenously initiated and administered development projects and authorizes therefor $2 million; empowers the President to provide direct or indirect assistance to military, paramilitary, or guerrilla operations in Angola only after determining that such assistance is in the interest of U.S. national security and requires that he submit a description of categories and amounts of assistance and a certification of national security determination; prohibits military aid to Nicaragua; restricts funds available to El Salvador; states the sense of the Congress urging the President to seek international cooperation on the Cuban refugee problem, and specifically urges discussions thereon at the United Nations and the Organization of American States. H.R. 6942—Public Law 96–, approved 1980. (*218, *499)

International Monetary Fund (Bretton Woods): Amends the Bretton Woods Agreements Act to authorize the U.S. Governor to consent to a permanent increase in the quota of the United States in the International Monetary Fund (IMF) equivalent to 4,202,500,000 Special Drawing Rights (SDR's) (approximately $5.4 billion) as provided in appropriations acts; extends the requirement from the Witteveen Facility to the entire IMF operation that the Secretary of Treasury seek to assure that IMF actions are consistent with current U.S. policy that public and private creditors are comparably treated in cases of debt rescheduling; states that the policy of the U.S. is to oppose the granting of any official status to the PLO at the upcoming IMF/IBRD (International Bank for Reconstruction and Development) meeting and requires the President, if the PLO is granted official status, to submit a report to Congress, with recommendations, on what he intends to do; states the sense of Congress that the IMF and World Bank in making loans should encourage those programs that assist the private sector; instructs the U.S. executive director to monitor IMF staff salaries to ensure that they are in compliance with levels recommended by an internal Fund/Bank Committee Report on salaries which drew up specific guidelines to bring them more into line with other civil service salaries; states the sense of Congress that Taiwan be granted appropriate membership in the IMF; states the sense of Congress regarding the problems for the world economy caused by the current petro dollar recycling requirements and urges IMF to actively encourage direct recycling by OPEC through new and innovative methods; calls upon the Secretary of Treasury to submit a report to Congress by May 15, 1981, on the adequacy of IMF resources, the feasibility of direct borrowing, and the possibility of IMF playing a role in direct government-to-government lending for balance of payments purposes; states the sense of Congress that the U.S. and other IMF members should negotiate a Substitution Account within IMF to assist in the removal of unwanted dollars from the world financial system in an orderly way; encourages IMF to be more sensitive to basic human needs when formulating its stabilization programs and contains a number of recommendations as to how this might be accomplished; reaffirms the Congressional commitment to a balanced budget in 1981; and provides for a commission to study and report to Congress with regard to U.S. policy concerning the role of gold in the domestic and international monetary system. S. 2271—Public Law 96–389, approved October 7, 1980. (*211)

International Sugar Agreement Implementation: Provides for the implementation of the International Sugar Agreement of 1977 (ISA) to which the Senate gave its advice and consent to ratification on November 30, 1979, and which was ratified by the President on January 2, 1980; authorizes the President, in order to carry out and enforce the provisions of the Agreement, to: (1) regulate the entry of sugar by appropriate means, including, but not limited to the imposition of limitations on the entry of sugar from nonmembers of the International Sugar Organization and the prohibition of the entry of any shipment or quantity of sugar not accompanied by a valid certificate of contribution or such other documentation as may be required under the ISA; (2) require appropriate persons to keep records, statistics, and other information, and submit reports relating to the entry, distribution, prices, and consumption of sugar and alternative sweeteners as may be prescribed; and (3) take other action, including issuing and enforcing rules or regulations, as may be necessary to implement the rights and obligations of the U.S. under the ISA; makes it a crime, punishable by a fine of not more than $1,000, to fail to keep any required information or to submit a required report, to knowingly submit a false report, or to violate a rule or regulation promulgated pursuant to this Act; requires biannual (May 1 and November 1) reports to Congress on the operation and effect of the ISA which must, at a minimum, contain information on and projections of world and domestic sugar demand, supplies and prices, and a summary of international and domestic actions under the ISA and U.S. law to protect the interests of U.S. consumers and producers of sugar; provides that the President is to exercise his authorities as he considers appropriate to protect U.S. consumer interests; directs the President, if he determines that there has been an unwarranted price increase due in whole or in part to the ISA or to market manipulation by ISA members, to request the various governing bodies to take off-setting actions to increase sugar supplies; directs the President, if the International Sugar Council (the highest authority of the International Sugar Organization) fails to take corrective action within a reasonable period of time following the request, to submit to Congress his recommendations on ways to correct the situation; and provides for the suspension of the President's implementation authority as contained in this Act if the situation is not remedied within a reasonable period of time and until such time as the President determines that manipulations have ceased. H.R. 6029—Public Law 96–236, approved April 22, 1980. (VV)

Italian earthquake authorization: Authorizes $50 million to the President for fiscal 1981, to remain available until expended, for relief, rehabilitation, and reconstruction assistance for the victims of earthquakes in Southern Italy in late 1980. H.R. 8388—Public Law 96—, approved 1980. (*501)

Iran hostage release: States the sense of Congress that the people of the United States should observe March 18, 1980, as a national day of prayer and meditation for the hostages in Iran. S. Con. Res. 79—Action completed March 17, 1980. (VV)

Expresses the deep sympathy of the Senate to the families of the eight servicemen who lost their lives in the attempted rescue of the Americans being held hostages in Iran; and states the sense of the Senate that the President shall order the U.S. flag to be flown at half-mast on all Federal buildings and grounds from sunset on May 6, until sunset on May 9, 1980, in honor and remembrance of these men. S. Res. 417—Senate agreed to May 6, 1980. (VV)

Japan-U.S. Mutual Defense Treaty (Tokyo Conference): States the sense of the Senate that the 20th anniversary of the Mutual Defense Treaty with Japan be commemorated and observed; that it is in the best interest of both countries to discuss, and evaluate, in private and government forums, the achievements of the Treaty and how best to perpetuate and augment them; and that reports on any such discussions and evaluations be sent to the Senate. S. Res. 484—Senate agreed to August 26, 1980. (VV)

Liberian Government overthrown: States the sense of the Congress that the President should communicate this concern to the government of Liberia, specifically indicating that a continued disregard for internationally recognized standards of justice is bound to have a serious effect on the traditionally close relations between the United States and Liberia; condemns the summary nature of the military trials being conducted in Liberia, the number of executions resulting from these trials, and other actions which offend basic principles of justice and humanity and due process of law; and expresses concern about the extent to which the new government of Liberia intends to adhere in the future to internationally recognized standards of justice, and welcomes a recent statement by the government of Liberia that there will be no more executions. S. Con. Res. 89—Senate agreed to June 11, 1980. (VV)

Mid-Decade Women's Conference: States the sense of the Senate that the inclusion and acceptance of a separate biased political agenda item on "The Effects of Israeli Occupation on Palestinian Women Inside and Outside the Occupied Territories" into the apolitical Mid-Decade Women's Conference scheduled for July 14–20, 1980, in Copenhagen, is deplored by the Senate and instructs the U.S. delegation to the conference to oppose any resolutions or amendments introduced at the Conference on issues which do not relate directly to the goals of the Conference and actively work with other delegations to ensure that they voice similar opposition. S. Res. 473—Senate agreed to June 26, 1980. (VV)

Multilateral development banks: Authorizes the U.S. Governor of the Inter-American Development Bank (IADB) to vote for two resolutions proposed at a special meeting in December, 1978 and pending before the Board of Governors which (1) increase the authorized capital stock of the Bank and additional subscriptions thereto, and (2) increase the Fund for Special Operations; authorizes $2,474,287,189 as the U.S. subscription for the newly authorized capital stock (of which 92.5 percent is callable and 7.5 percent is paid-in) and a contribution of $630 million to the Fund for Special Operations;

Authorizes a contribution of $378.25 million as the U.S. share of the Asian Development Fund (which is the soft loan window of the Asian Development Bank); states the sense of Congress that it is U.S. policy that Taiwan should be permitted to retain its membership in the Bank and that the U.S. Executive Director of the Bank should notify the Bank that a serious review of future U.S. participation, including payments to the Fund, would ensue if Taiwan were expelled from the Bank;

Authorizes a contribution of $125 million as the U.S. share of the African Development Fund;

Provides that all authorized funds shall be available without fiscal year limitation and that they be provided for in advance of appropriations acts; provides, for the purpose of keeping the U.S. cost of participating in the various institutions at a minimum, that the Secretary of Treasury should pay the U.S. contributions to IADB's Fund for Special Operations and the Asian Development Bank in four equal installments and the contribution to the African Development Fund in three equal installments; instructs the Secretary of Treasury to obtain a certification from the Banks that drawdowns of the letters of credit will be deferred until the funds are needed by the respective institutions;

Requires the Secretary of the Treasury to instruct the U.S. executive directors of the IADB, the Asian Development Bank and the African Development Fund to assure that information relative to export opportunities is communicated to the Secretaries of State and Commerce and requires that the information be broadly disseminated to large and small businesses;

Requires detailed quarterly reports by the Secretary of the Treasury on all loans considered by the Boards of Executive Directors of the various institutions and on all Governors of the various international banks to consult with the other governors of these institutions concerning adoption of an amendment to the articles of agreement of each institution which establishes human rights standards to be considered in connection with each application for assistance; and

Requires the U.S. to encourage the IADB, the African Development Fund, and the Asian Development Bank to promote the development of renewable energy resources. S. 662—Public Law 96-259, approved June 3, 1980. (101)

Authorizes $3.24 billion as the U.S. contribution to the sixth replenishment of the resources of the International Development Association which will be paid in three annual installments beginning in fiscal 1981, and limits the first payment to $939.6 million; authorizes the President to accept membership for the U.S. in the African Development Bank (AFDB) and to appoint a Governor and Alternative Governor of the Bank who must be confirmed by the Senate; authorizes therefor $359,733,570 for the initial U.S. subscription of 29,820 shares of the capital stock of the Bank of which $89.9 million would be paid in five annual installments beginning in fiscal 1981 and $269.8 million is callable, requiring no budget outlays; and amends the Bretton Woods Agreements Act (International Bank for Reconstruction and Development) and the Asian Development Bank Act to allow program limitations, rather than budget authority, to be established for callable capital subscriptions which are used by MDB's to back up paid-in capital and reserves in the event that the Bank's resources are insufficient to meet its obligations. S. 2422—Passed Senate June 16, 1980. (*212)

NATO mutual support: Authorizes the Secretary of Defense to enter into certain agreements with the North Atlantic Treaty Organization (NATO) countries to facilitate host-nation support and cross servicing arrangements between U.S. and NATO military forces deployed in Europe by: authorizing the Secretary to waive certain provisions of the Arms Export Control Act and other U.S. laws relating to the acquisition and transfer of goods and services by the Department of Defense; establishing reciprocal pricing and reimbursement procedures for the acquisition and transfer of logistical support, supplies, and services provided in host nation support and cross-servicing agreements; establishing a $100 million annual ceiling on such U.S. acquisitions and transfers, and a $25 million ceiling on the acquisition of supplies other than petroleum, oils, and lubricants; establishing an annual reporting requirement detailing the nature, quantity, and value of all transactions made under this authority; prohibiting any increase in inventories and supplies for U.S. forces in Europe for the purpose of transferring such services and supplies under this authority; and providing for prior Congressional consideration of implementing regulations issued by the Secretary. H.R. 5580—Public Law 96-323, approved August 4, 1980. (VV)

Nicaragua and Honduras economic assistance: Authorizes additional disaster relief and reconstruction assistance in the amount of $80 million in Economic Support Funds for fiscal 1980 of which $75 million is for Nicaragua and $5 million is for Honduras; authorizes $2 million to guarantee the financing of credit sales of defense articles and services and $1 million for International Military Education and Training to help meet the security needs of nations in Central America and the Caribbean; and requires quarterly reports from the Executive Branch accounting for the expenditure of funds authorized in this and other bills for Nicaragua and outlining the status of private industry and freedom of the press in Nicaragua. S. 2012—Passed Senate January 29, 1980. (*17)

Authorizes $80 million in Economic Support Funds for fiscal 1980, to remain available until expended ($75 million for Nicaragua and $5 million for Honduras);

Directs the President, in furnishing assistance to Nicaragua, to take into account the extent to which that government has engaged in human rights violations (including the right to organize and operate labor unions and the right of freedom of the press and religion) and to encourage that government to respect these rights;

Reaffirms the requirement that a principal goal of U.S. foreign policy is to promote the increased observance of internationally recognized human rights by all countries; states that, in furtherance of that goal, assistance to Nicaragua will be terminated if that government engages in a consistent pattern of gross violations of internationally recognized human rights;

Requires the Secretary of State to submit a report for each six-month period in which funds are expended for Nicaragua discussing the status of these various rights;

Directs the President to terminate aid to Nicaragua if he determines that Nicaragua is cooperating with or harboring international terrorist organizations or aiding, abetting, or supporting acts of violence or terrorism in other countries and provides that if such a determination is made, the outstanding balace of any ESF loan provided to Nicaragua shall become due and payable;

States the sense of Congress that the U.S. should support its traditional Latin American allies, including Guatemala, El Salvador, Costa Rica, Panama, Nicaragua, and Honduras against external subversion;

Provides that funds made available for the National School of Agriculture in Nicaragua be used under an understanding with the Autonomous National University of Nicaragua that the National School of Agriculture will cooperate in programs with U.S. institutions of higher education;

Requires that any agreements with Nicaragua regarding the use of funds made available under this act in the form of loans shall specifically require that at least 60 percent be used to assist the private sector as shall any local money generated therewith; provides that local currency shall be used in ways which will strengthen private financial institutions in Nicaragua and that local currency programs be monitored and audited in accordance with the Foreign Assistance Act;

Requires termination of aid to Nicaragua if the President determines that: (1) Soviet, Cuban, or other foreign combat military forces are stationed in Nicaragua and that their presence constitutes a threat to the U.S. national security or that of any of its Latin American allies; (2) Nicaragua has engaged in a consistent pattern of violations of the right to organize and operate labor unions free from political oppression; or (3) Nicaragua engages in systematic violations of free speech and press;

Directs the President to encourage Nicaragua to hold free, open elections within a reasonable period of time and, when providing any additional assistance to Nicaragua, to take into consideration the progress being made toward holding such elections;

Prohibits the use of funds for assistance to any school or other educational institution that would house, employ, or be made available to Cuban personnel;

Requires that any agreement with Nicaragua on the use of funds under this act specifically require that such funds be used for the purchase of U.S. originated goods or services; and

Requires that up to one percent of the funds made available to Nicaragua be used to make publicly known to the people of Nicaragua the extent of U.S. aid programs to them. H.R. 6081—Public Law 96-257, approved May 31, 1980. (*151)

Nuclear fuel shipments to India: Approves the proposed export to India of low-enriched uranium for the Tarapur Atomic Power Station. H. Con. Res. 432—Action completed September 24, 1980. (*440)

OPIC authorization—China: Adds the People's Republic of China to the two countries exempted from the general prohibition contained in the Foreign Assistance Act of 1961 against Overseas Private Investment Corporation (OPIC) operations in communist countries in order that OPIC may provide insurance and guarantees to American businessmen interested in investing in China. S. 1916—Public Law 96-327, approved August 8, 1980. (VV)

Pakistanian attack on International School of Islamabad: Expresses the gratitude and appreciation of the Senate for the efforts of Colonel Ishmail Kahn and Mr. Bill Hamidullah in protecting the lives of approximately 40 American students at the International School of Islamabad which was under attack at the same time that Pakistanian rioters seized and subsequently burned the American Embassy in Islamabad. S. Res. 343—Senate agreed to February 18, 1980. (VV)

Rubber agreement implementation legislation: Authorizes $88 million in fiscal 1981 to serve as the United States' share of the direct government contributions to finance the buffer stock transaction of the International Natural Rubber Agreement (Ex. D, 96th-2d), a five year commodity agreement which seeks to stabilize short term natural rubber price fluctuations and at the same time encourage the expansion of natural rubber supplies over the longer term through the use of buffer stocks which will be bought or sold at various times, triggered by movements of natural rubber prices around an agreed reference price. S. 2666—Public Law 96-271, approved June 16, 1980. (VV)

Soviet custody of Raoul Wallenberg: Honors Raoul Wallenberg, the Swedish representative, who in World War II saved the lives of twenty thousand Jewish citizens in Hungary through the issuance of protective Swedish passports, and was taken into Soviet "protective custody", on January 13, 1945, in violation of international standards of diplomatic immunity; states the sense of the Congress that the U.S. delegation to the Conference on Security and Cooperation in Europe to be held in Madrid in November 1980 urge that his case be considered at that meeting by the signatory countries to the Final Act of the Helsinki Conference on Se-

curity and Cooperation in Europe; and requests the State Department to take all possible steps to determine from the Soviet Union his whereabouts and, if he is alive, secure his return to Sweden. H. Con. Res. 434—Action completed November 19, 1980. (VV)

Soviet emigration of Irina Astakhova McClellan: Urges the President, acting directly or through the Secretary of State or appropriate executive branch official, to continue to express U.S. support of Irina Astakhova McClellan's efforts to emigrate from the Soviet Union in order to join her husband in the U.S. and to inform the Soviet Union that the U.S., 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 and promotion of human rights. S. Con. Res. 62—Senate agreed to September 24, 1980. (VV)

Soviet exile of Andrei Sakharov: States the sense of the Congress, that in acordance with the Helsinki Final Act, the Soviet Union should immediately release Andrei Sakharov from internal exile; and urges the President to: (1) protest, in the strongest possible terms and at the highest levels, the exile of Andrei Sakharov and the continued suppression of human rights in the Soviet Union, (2) call upon signatory nations of the Helsinki Final Act to join in such protests and to take appropriate actions against the Soviet Union, including refusal to participate in the 1980 Summer Olympics in Moscow and suspension of appropriate commercial activities, and (3) inform all signatory nations of the U.S. intent to raise the issue of Soviet violations at the 1980 Helsinki review meeting. H. Con. Res. 272—Action completed February 19, 1980. (*42)

Soviet occupation of Afghanistan: Calls for the withdrawal of Soviet troops from Afghanistan; expresses Senate support for boycotting the Summer Olympics, restricting trade in high technology, and limiting other commercial relations with the Soviet Union; urges the Administration to continue to bring Soviet violation of norms of international conduct and basic rights of individuals to the attention of the United Nations; and urges the Administration to work with European and Asian allies and nations in the region to prevent further Soviet incursions. S. Res. 472—Senate agreed to June 24, 1980. (*247)

Soviet treatment of Christians: States the sense of the Congress that the President, acting through the Secretary of State or any other appropriate officer of the executive branch, should (1) continue to affirm U.S. support for full implementation of the Final Act of the Conference on Security and Cooperation in Europe (the Helsinki Accords), (2) communicate U.S. disapproval of religious harassment of all religious believers in the Soviet Union, including Christians, and of the restrictions on the freedom of such persons to emigrate, and (3) advise the Soviet Union that the U.S. expects them to honor its commitments under the Helsinki Accords and other international laws. S. Con. Res. 60—Senate agreed to November 24, 1980. (VV)

Soviet use of biological warfare: States the sense of the Senate that the President should urge and request the Soviet Government promptly to exchange such scientific data as may be necessary to resolve any dispute regarding the nature of the outbreak of pulmonary anthrax near the city of Sverdlovsk in the Soviet Union, as provided for by article V of the Convention on the Prohibition of the Development, Production, and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction; and undertake consultative and cooperative measures through appropriate international procedures, as provided by article V of the convention, or if necessary, lodge a complaint with the Security Council of the United Nations, as provided by article VI of the Convention, if the Soviet Government fails to make such data available. S. Res. 405—Senate agreed to May 14, 1980. (VV)

State Department supplemental: Authorizes $14,514,000 in additional funds for fiscal 1980, and $125,411,000 for fiscal 1981 for certain programs of the Department of State, the International Communication Agency, and the Board for International Broadcasting; authorizes $6,532,000 for fiscal 1981 for the American Institute in Taiwan; provides authorization in fiscal 1981 of $69 million appropriated for several refugee activities and establishes the position of Assistant Secretary for Refugee Affairs; earmarks $1.7 million for the continued operation of the following seven consular posts intended to be closed in fiscal 1980: Turin, Italy; Salzburg, Austria; Goteborg, Sweden; Bremen, Germany; Nice, France; Mandalay, Burma; and Brisbane, Australia; provides for the appointment of a U.S. Representative to the Vienna U.N. office; provides for a coal export office in each U.S. diplomatic mission; authorizes the use of State Department funds for ceremonial gifts to international organizations; removes the limitation on funds for U.N. peacekeeping forces; extends to ten years the period of validity of a passport; provides for the Secretary of State to pay travel and relocation expenses of employees assigned to State or local governments; improves the administrative provisions of the ICA basic enabling authorities; increases the fiscal 1981 authorization for the Board for International Broadcasting by $12,048,000, for a total of $86,787,000; designates U.S. Government radio broadcasts to Cuba as "Radio Free Cuba"; and authorizes $50,605,000 for fiscal 1981 for the U.S. share of contributions to the International Labor Organization. S. 2727—Passed Senate June 16, 1980. (*210)

Summer Olympics, 1980: Urges the International Olympic Committee (IOC) to move, postpone, or cancel the summer Olympic games in Moscow; urging that the U.S. Olympic Committee and the athletes competing for positions on the U.S. team receive the continuing support, commendations, and contributions of the American people; urges that, if the IOC fails to adopt the U.S. Olympic Committee proposal, or a comparable proposal, no American team participate in those games and no American attend them in any capacity; urges the Secretary of State to inform other nations of the U.S. policy and intensify efforts to gain support for that policy; and calls on the IOC to consider the creation of permanent homes for the summer and winter Olympic games, including one in Greece, the country of their origin. H. Con. Res. 249—House agreed to January 24, 1980; Senate agreed to amended January 29, 1980. (*15)

Thailand-Cambodia refugee camp: States the sense of Congress that the President, acting through the Permanent U.S. Representative to the United Nations, should request the U.N. to establish under its auspices an international presence in the encampments of Khmer refugees along the border between Thailand and Kampuchea to: (1) promote security and stability for the refugees in these encampments; (2) oversee the distribution of food and water to insure that they are distributed to those refugees for whom they are intended; (3) demonstrate that the assistance which is being provided is solely for humanitarian purposes; and (4) encourage all nations in the region to respect the use of the border area as a sanctuary for those Khmer who are in need of humanitarian assistance. S. Con. Res. 72—Action completed February 26, 1980. (VV)

Tunisian assistance: States the sense of Congress that recent foreign-inspired attempts to undermine the stability of Tunisia constitute a serious threat to international peace and security and the national security interest of the United States, NATO nations, and all nations in the Mediterranean area; and further states that the U.S. should take steps to help Tunisia meet this unprovoked threat to its freedom and security by furnishing appropriate levels of economic and security assistance. H. Con. Res. 282—Action completed March 18, 1980. (VV)

JUDICIARY AND ADMINISTRATION OF JUSTICE

Age of nominees for Federal judgeships: Expresses the sense of the Senate that the American Bar Association and the Department of Justice should immediately end discrimination against potential lifetime Federal judges who do not qualify solely as a result of arbitrary age barriers. S. Res. 374—Senate agreed to April 1, 1980. (*69)

Antitrust laws—international application: Establishes a 12-month, 18-member Presidentially appointed study commission to examine the application of the U.S. antitrust laws in foreign commerce and their effect on the ability of U.S. enterprises to compete effectively abroad, and to compete and deal effectively with foreign controlled or assisted enterprises in market and nonmarket economies; authorizes therefor $550,000; and requires submission of a final report within one year of the first meeting containing a detailed statement of the Commission's findings and including recommendations for action deemed necessary; and sunsets the Commission 60 days following submission of its final report. S. 1010—Passed Senate September 30, 1980. (VV)

Antitrust procedural improvements: Implements the following four recommendations of the National Commission for the Review of Antitrust Laws and Procedures for statutory changes to the Antitrust Civil Process Act in order to expedite and reduce the cost of antitrust litigation: (1) clarifies the authority of the Antitrust Division to use agents in connection with the enforcement of the antitrust laws and to process, analyze, and evaluate materials produced pursuant to civil investigative demands (CID's); subjects independent contractors to the same criminal penalties for unauthorized disclosure of material obtained pursuant to CID's as now apply to officials or employees of the U.S.; (2) expands the category of expenses a judge might require an attorney who engages in dilatory practices to satisfy personally to include "excess costs, expenses and attorneys' fees reasonably incurred because of such conduct"; (3) authorizes the award of prejudgment interest on successful antitrust plaintiffs, including the U.S., actual damages computed from the date the complaint was served to the date of judgment; and (4) makes collateral estoppel available in antitrust litigation to the same extent it is now available in other litigation and in limited situations to findings of the Federal Trade Commission; makes the collateral estoppel provisions prospective with respect to any criminal or civil proceeding brought by or on behalf of the United States; and amends section 7 of the Clayton Act to allow the Department of Justice and private parties to challenge anticompetitive acquisitions involving business entities engaged in any activity affecting interstate commerce. S. 390—Public Law 96-349, approved September 15, 1980. (VV)

Bankruptcy reform technical amendments: Makes technical, clarifying, and conforming amendments to the Bankruptcy Reform Act of 1978, Public Law 95-598; raises from one percent to two percent the maximum fee a trustee may receive of all moneys in excess of $50,000; increases to $45 the minimum fee applicable to all cases; assures that the Trustee is paid at least $10 per month for

his services if the percentage of the monthly payments to creditors to which he or she is entitled would be less than $10; enables the payments to creditors to which he or she is whereby immunity, when requested, can be granted expeditiously in a bankruptcy proceeding; provides that the automatic stay against acts to obtain possession of property of or from an estate, also encompasses acts to exercise control over such property without the need for actually obtaining possession; clarifies the circumstances under which preliminary and final hearings may be continued, particularly that requisite findings must be made by the court when a preliminary hearing is not concluded within the 30 days provided and that the final hearing must be commenced, unless a preliminary hearing is continued, within the 30 days specified; clarifies that the exception from the automatic stay for injunctive actions by the government is to occur only in instances where there is a serious potential for harm to the public, such as the debtor polluting with toxic waste, and not the ordinary case where the government unit is simply enforcing its regulations by way of injunction; clarifies, under applicable nonbankruptcy law, that an out-of-the-ordinary-course-of-business transaction which might result in anticompetitive effects is subject to the Hart-Scott-Rodino pre-merger notice requirements; enables a sublessee or leasehold mortgagee to step into the position of the debtor's lessee in the event the lessee seeks to treat the trustee's rejection as a termination; assures that administrative expense treatment is not denied to taxes withheld or required to be withheld from administrative wages; enables a governmental unit's claim and its attendant priority to be asserted by one who has satisfied such a claim; clarifies that the debtor's obligations should not be limited by any assertion of a privilege against self-incrimination; clarifies the non-dischargeability of a debt for alimony and child support; clarifies that a redemption contemplates a cash lump sum payment unless the affected creditor agrees otherwise, as in the context of a reaffirmation; allows interest to be paid at the higher of the legal or contract rate; permits the debtor to work out a reasonable payment schedule with its creditors as opposed to liquidation or straight bankruptcy; grants a creditor automatic relief from the co-debtor stay to the extent that the confirmed plan will not pay a creditor's claim in full; requires a "bona fide effort" on the part of the debtor to repay his unsecured debts in addition to the requirement that the unsecured creditors must be paid at least what they would be entitled to receive if the debtor was in liquidation proceedings; provides that the same standards and procedures for the removal of a trustee in nonpilot districts apply to pilot districts; eliminates the age limitation for chief judge of the bankruptcy court; removes the power of the Administrative Office of the U.S. Courts to remove a trustee from a case; enables the Director to negotiate contracts in lieu of formal advertising and to take into consideration in the evaluation of offers the previous experience of prospective reporters as bankruptcy court reporters; makes clear in the Social Security Act bankruptcy policy that the alimony and child support obligation, even though assigned to a State Welfare agency, is not discharged in the bankruptcy case; and clarifies that bankruptcy fraud under the RICO Statute is a predicate crime regardless of whether it occurred in connection with a case under the former Bankruptcy Act of 1898 or the new bankruptcy Code. S. 658—Passed Senate September 7, 1979; Passed House amended September 22, 1980; Senate agreed to House amendment with an amendment December 1, 1980. (VV)

China claims: Alters payment allocation under the China Claims Settlement Agreement to reduce awards of corporations by an amount equal to the tax benefits they took pursuant to the expropriation of their properties in China and reallocates such sums to nonprofit organizations with certified claims against China. H.R. 6440—Public Law 96-445, approved October 13, 1980. (VV)

Circuit court division: Amends, effective September 1, 1981, title 28, U.S.C., to divide the existing U.S. Court of Appeals for the Fifth Circuit into two independent circuits, one to be composed of the States of Louisiana, Mississippi, Texas, and the Canal Zone with headquarters in New Orleans, Louisiana, to be known as the new Fifth Circuit, and the other composed of the States of Alabama, Florida, and Georgia, with the headquarters in Atlanta, Georgia, to be known as the Eleventh Circuit. H.R. 7665—Public Law 96-452, approved October 14, 1980. (VV)

Civil Rights Commission authorization: Authorizes $12,600,000 (reduced from the $14 million currently authorized) for the activities of the Civil Rights Commission for fiscal 1981. S. 2511—Public Law 96-447, approved October 13, 1980. (*155)

Civil rights of institutionalized persons: Authorizes the Attorney General to initiate a civil suit for equitable relief in any appropriate district court when there is reasonable cause to believe that any State or political subdivision thereof is subjecting persons residing in an institution to egregious or flagrant conditions which deprive them of any rights, privileges, or immunities secured or protected by the Constitution of the United States; requires the Attorney General, before initiating a suit, to have reasonable cause to believe that such deprivation of rights is part of a "pattern or practice of denial rather than an isolated or accidental incident";

Requires the Attorney General to certify to the court that at least 56 days prior to initiating action, he has notified the Governor, Attorney General, and the Director of the institution of the alleged conditions, including dates, times, and the identity of those responsible; that at least seven days prior to investigation, he has given written notice to the Governor and the State Attorney General; that he has informed the Governor and the director of the institution of the kinds of assistance available from the Federal Government; and that he has carried out informal methods of conference, conciliation, and persuasion with appropriate State officials and is satisfied that they have had a reasonable time to take corrective actions; and that intervention by the U.S. is of general public importance and will materially further the vindication of constitutional or Federal rights;

Requires the Attorney General to wait 90 days after the commencement of a civil action before filing a motion to intervene, unless this period is shortened or waived by the court; permits the Attorney General to certify to the court that 15 days written notice has been given to the Governor, and the director of the institution informing them of existing conditions and the minimum measures he believes may remedy them;

Requires the Attorney General, before filing or intervening in any suit, to notify the Secretaries of Health and Human Services and Education and to proceed with the proposed suit if he is satisfied such action is consistent with the policies and goals of the executive branch;

Allows the court to award to the prevailing party, other than the United States, a reasonable attorney's fee; provides protection from retaliation to persons reporting violations;

Requires the Attorney General, after consulting with State and local agencies and others, to promulgate minimum standards within 180 days, for developing and implementing a grievance system for adults confined in any jail or correctional facility; makes the standards effective 30 legislative days after publication, unless disapproved by either House of Congress; provides that, in any action brought by an adult confined in a jail or other correctional facility, the court may continue the case for not to exceed 90 days in order to exhaust available administrative remedies;

Specifies that the standards shall include: (1) an advisory role for employees and inmates in implementing the system, (2) specific time limits for written replies to grievances, (3) priority processing for emergency grievances, (4) safeguards against reprisals to grievants, and (5) independent review of the disposition of grievances by an individual or group not under the institution's direct supervision;

Requires the Attorney General to develop a system for review and certification of grievance procedures in correctional facilities to determine whether they are in compliance with the minimum standards; provides that certification may be withdrawn at any time the Attorney General determines that grievance procedures no longer comply with minimum standards;

Requires the Attorney General to submit to Congress a report which includes: (1) a statement of all actions instituted pursuant to the Act, (2) an explanation of procedures used to review and evaluate petitions or complaints, (3) an analysis of the impact of actions instituted, including an estimate of the costs incurred by States, (4) a statement of the Federal financial, technical, or other assistance to the State for correction of conditions, and (5) the progress made in each Federal institution toward meeting promulgated standards;

States the sense of the Congress that, where possible and without redirecting funds or in any way creating hardship for institutionalized citizens, priority be given to funding programs that correct unconstitutional conditions. H.R. 10—Public Law 96-247, approved May 23, 1980. (*51, *93)

Civilian and military claims: Broadens the authority to settle claims under the Military Personnel and Civilian Employees' Claims Act of 1964 by adding a new section which provides that, subject to government-wide policy prescribed by the President, the head of any agency may settle and pay claims up to $25,000 for damage to, or loss of, personal property sustained by U.S. employees or uniformed service members on or after December 31, 1978 (to cover the hostage taking in Iran), in a foreign country when the damage or loss was a result of: (1) an evacuation of U.S. personnel in response to, or as a result of, political unrest or hostile acts in a country, or (2) from act of mob violence, terrorist attacks or other hostile acts, directed against the U.S. government or its officers or employees; provides an order of priority for payment of claims in the event the claimant is deceased; requires that a claim, to be considered under these provisions, must be presented in writing within two years after it accrues, or within one year of enactment, whichever is later; requires each agency to issue regulations governing claims settlement under these provisions and makes the same standards for adjudicating a claim under other provisions of this act also apply to settlement under this section; and gives the U.S. right to any future claims a claimant may have against the foreign country in which the damage or loss occurred to the extent of the amount that the U.S. paid the claimant; and contains all the provisions of H.R. 7085 except those dealing with taxes. H.R. 6086—Passed House April 21, 1980;

Passed Senate amended October 1, 1980; House disagreed to Senate amendments October 2, 1980. (VV)

Classified information procedures: Provides pretrial procedures that will permit trial judges to rule on questions of admissibility involving classified information before introduction of the evidence in open court, thus enabling the government to ascertain the potential damage to national security of proceeding with a given prosecution before trial; and specifically outlines the trial procedures to be followed in the event the U.S. appeals a court decision to disclose classified information. S. 1482—Public Law 96–456, approved October 15, 1980. (VV)

Commission on Wartime Relocation and Internment of Civilians: Establishes a one-year, seven-member, National Commission on Wartime Relocation and Internment of Civilians to review the facts and circumstances surrounding, and the impact on the persons affected by: (1) Executive Order 9066 (issued by President Roosevelt in 1942) under which approximately 120,000 American citizens and resident aliens of Japanese ancestry were interned in relocation camps, and (2) the military directives issued during World War II under which certain Aleut Indians were moved from the outer Aleutian Islands to the mainland because of the military threat to the islands on which they resided; directs the Commission to recommend to Congress and the President appropriate remedies that should be available to those persons; and authorizes therefor $1.5 million. S. 1647—Public Law 96–317, approved July 31, 1980. (VV)

Consumer controversies: Provides for the establishment of a dispute resolution program in the Department of Justice which shall include the creation of a Dispute Resolution Resource Center to serve as a national clearinghouse for the exchange of information concerning the improvement of existing and of new dispute resolution mechanisms, provide technical assistance to State and local governments, conduct research and development, identify those dispute resolutions that are most effective, and make grants and contracts for research, demonstrations, or special projects; establishes a nine-member Dispute Advisory Board to advise the Attorney General as to the types of projects that should be funded under the act and the criteria to be used in awarding grants; specifies the purposes for which funds authorized under the act may be used and the distribution of such funds to the various States; provides that the Attorney General may suspend payments, after the opportunity of a hearing, if he finds that the project for which the grant was received no longer complies with the provisions of the act or the application as approved by the Attorney General; requires recipients to keep such records as the Attorney General may prescribe; gives the Attorney General access to any records or books of recipients for audit purposes and gives the Comptroller General such access for financial and performance audits; requires submission of a report by February 1 of each year which shall include a list of grants awarded and the results of financial and performance audits; and authorizes for fiscal 1981 through 1984 $1 million annually for the Resource Center and the Advisory Council and $10 million annually for the grant program. S. 423—Public Law 96–190, approved February 12, 1980. (VV)

Consumer Product Safety Commission postemployment rules: Eliminates certain unnecessary, ineffective, and inequitable post-employment restrictions contained in the Consumer Product Safety Act which prohibit Commission employees and officers above GS–14 from accepting employment from any manufacturer subject to CPSC regulation for a period of one year. H.R. 6395—Public Law 96–373, approved October 3, 1980. (VV)

Counsel for jurors claims: Amends title 28 U.S.C. to authorize courts to tax employers for funds expended by the Government for court-appointed counsel where an employee prevails in a case brought against an employer on grounds of harassment, intimidation, or other interference with his or her right to serve as a juror; and specifies that the prevailing employer may collect a reasonable attorney's fee only if the court finds that the employee's action is frivolous, vexatious, or brought in bad faith. S. 1187—Passed Senate March 29, 1980. (VV)

Customs Court: Expands the jurisdiction of the United States Customs Court, which is renamed the United States Court of International Trade, to assure judicial review of civil actions arising from controversies over import transactions, and a statute, constitutional provision, treaty, executive agreement, or order substantially concerned with international trade; grants the Court the plenary powers possessed by other Federal courts established under Article III of the Constitution; provides that the Court consist of nine judges appointed by the President, and confirmed by the Senate, and requires that no more than five of the judges may be of the same political party; provides that the five judges presently serving on the Customs Court shall continue to serve on the new Court and that the present chief judge serve as chief judge of the new Court until age 70; permits a judge of the new Court to serve as a district judge, a judge of the Court of Customs and Patent Appeals, or a judge of a circuit court of appeals; and makes necessary changes to the current statutes relating to the jurisdiction of the new Court. S. 1654—Public Law 96–417, approved October 9, 1980. (VV)

District court realignments: Amends title 28, U.S.C., to realign the judicial districts of Missouri by transferring Audrain and Montgomery Counties from the Eastern Division of the Eastern District to the Northern Division of the Eastern District in order to reduce the average distance which litigants, attorneys, and jurors in these counties must travel to court. S. 2432—Passed Senate May 14, 1980. (VV)

Designates Santa Ana, California, as a place of holding court for the Central District of California; transfers two counties from the Southern Division to the Western Division of the Southern District of Iowa; transfers two counties from the Eastern Division to the Northern Division of the Eastern District of Missouri; places that portion of Durham County encompassing the Butner Federal Correction Institution, North Carolina, entirely within the Eastern District of North Carolina; transfers four counties from the Middle District to the Western District of North Carolina and strikes three statutory places of holding courts in North Carolina; and creates a new place of holding court in Lufkin, the Eastern District of Texas, composed of seven counties from the Tyler and Beaumont Divisions of the Eastern District and two counties from the Houston Division of the Southern District. H.R. 8178—Public Law 96–462, approved October 15, 1980. (VV).

Federal judges annuities: Amends chapter 83, title 5, U.S.C., to authorize the Office of Personnel Management to discontinue payment of civil service retirement annuities to retired Federal employees who become Federal justices or judges during the period of their active service on the bench; allows reinstatement of such annuity upon retirement or resignation of a judge or justice, provided the application is filed within one year of enactment; and provides that survivors' annuities for all surviving spouses of Supreme Court Justices shall be paid from the Judicial Survivors' Annuities Fund. H.R. 2583—Public Law 96– , approved , 1980. (VV)

Federal question jurisdiction: Amends title 28, U.S.C., 1331 to provide that Federal district courts have original jurisdiction of all civil actions that without regard to the amount in controversy by eliminating the $10,000 amount in controversy requirement in all Federal question cases except for cases brought against defendants other than the U.S. under section 23 of the recently enacted Consumer Product Safety Act which authorizes action by any person who sustains injury by reason of a knowing violation of a consumer product safety rule, or other rule or order issued by the Commission and ties Federal Court jurisdiction to the $10,000 amount contained in 28 U.S.C., 1331. S. 2357—Public Law 96–486, approved December 1, 1980. (VV)

Federal rule making: Encourages Federal agencies to utilize innovative administrative procedures in dealing with small businesses, small organizations, and small governmental bodies that would otherwise be adversely affected by Federal regulations; requires the preparation of regulatory flexibility analyses of proposed agency rules which estimate the impact of a proposed rule and its alternatives upon small institutions; requires agencies to publish a regulatory flexibility agenda every six months to facilitate the preparation of comments by interested persons on any rules which the agency expects to consider, propose, or issue during the following year likely to have a significant economic impact on a substantial number of small entities; requires agency heads to ensure that small institutions are given ample opportunity to participate in rulemaking proceedings through public hearings, open conferences, or other outreach techniques; establishes a procedure for a ten-year review of all existing regulations which have a significant effect upon small entities; and requires a periodic review of new rules to minimize needless burdens on small businesses, organizations, and governments. S. 299—Public Law 96–354, approved September 19, 1980. (VV)

Judicial conduct and disability: Establishes a procedure to investigate and resolve complaints directed against Federal judges; places primary responsibility for the resolution of allegations of disability or misconduct of Federal judges with the judicial council of the circuit in which the judge serves; provides that any person may file a written complaint against a Federal court of appeals judge, a Federal district judge, a Federal bankruptcy court judge, or a Federal magistrate with the chief justice of the circuit, alleging that the judge has been unable to discharge efficiently all the duties of his or her office by reason of mental or physical disability or has engaged in conduct inconsistent with the administration of the business of the courts; permits the council to dismiss a complaint that is without jurisdiction, frivolous, or insufficient under the prescribed standards; provides that the council, on its own motion, may investigate matters which it feels fall under the standards and, if appropriate, file a complaint of its own; provides that the Judicial Conference of the U.S. may establish rules for the circuits or allow the circuits individually to promulgate their own rules; requires the judicial council, upon receipt of a complaint, to take final action in an expeditious manner, to notify the complainant if the complaint is dismissed, and provide written reasons for the dismissal; provides that the complainant or judge may petition the Judicial Conference of the U.S. for review of decisions of a circuit council; authorizes the council, if it decides that the complaint calls for further procedures, to take other final action to correct the situation, including a request that the judge voluntarily retire, a certification of disability, a temporary order that no further cases be assigned to the judge or a private or public censure or reprimand; requires the circuit council to refer a com-

plaint to the Judicial Conference if its proceedings reveal conduct which might constitute an impeachable offense. S. 1873—Public Law 96-458, approved October 15, 1980. (379)

Judicial district realignment—North Carolina: Amends the boundaries of the Eastern District of North Carolina by including within its jurisdiction the Federal Correctional Institution at Butner, North Carolina, in its entirety and by excluding that portion of the Institution which now lies within the jurisdiction of the Middle District of North Carolina; and relieves the State of New Mexico of any obligations for the care of prisoners placed temporarily in Federal facilities because of the disruption at the prison on February 2 and 3, 1980. S. 2326—Passed Senate September 29, 1980. (VV)

Justice Department authorization: Authorizes a total of $2,097,617,000 for the Department of Justice for fiscal year 1981; authorizes the FBI to undertake certain activities connected with its undercover operations, such as leasing space, upon certification by the Director or the Attorney General; requires a detailed fiscal audit of any undercover operation having gross receipts or income in excess of $50,000 and submission of a report thereon to the Attorney General with similar reports to Congress annually; requires the submission of an annual report to Congress on parental kidnaping and authorizes $1 million for an FBI investigation of such cases; modifies the requirement that the Department of Justice inform the appropriate Congressional committees of impending reprogrammings to require 15 day prior committee notification; amends the Controlled Substances Act to provide that informants who are entitled to compensation for furnishing information leading to the seizure and forfeiture of goods under customs laws may be paid from proceeds of the sale of seized property; authorizes the Attorney General to set fees based on costs for U.S. markets serving papers in private civil litigation; directs the Attorney General to complete evaluations on the efficiency and effectiveness of Justice Department programs at the request of the Judiciary Committees and requires submission to the requesting committee within 30 working days of a design and timetable for making the evaluation; requires submission to the Congress of a copy of each written agreement between the Department of Justice and another agency affecting the litigation authority of the Department; requires the Attorney General to prepare and submit to the Senate and House Judiciary Committees by January 1, 1980, a plan for the activation and coordination of comprehensive case management information and tracking systems for each judicial district and authorizes therefor $300,000; directs the Attorney General to report to the committees on the extent to which the Department has collected all judgments owed to the United States and calls for a report on the backlog and status of civil and criminal fraud cases; directs the Attorney General to make arrangements for an independent study on the extent to which the Federal Government should provide communication systems, networks, and data bases for distribution of criminal records to Federal, State, local, or foreign agencies, or private entities; authorizes an additional 30 senior trial attorney positions; directs the Attorney General to report to Congress on any case where he establishes a policy of refraining from enforcement of any law on the grounds that it is unconstitutional; requires the Attorney General to inform the Chairmen and ranking members of the Judiciary Committees whenever an investigation is commenced into allegations of violations of the Ethics in Government Act; expresses the sense of the Senate that the U.S. should not admit more than an additional 100,000 immigrants, exclusive of the immediate families of American citizens, for the remainder of the fiscal year; expresses the sense of Congress that the Khmer people in holding camps in Thailand be processed and resettled as refugees under U.N. auspices; states that Congress opposes efforts by private citizens to engage in negotiations concerning the hostages held in Iran; establishes an Office of Professional Responsibility (OPR) headed by a Counsel appointed by the President and confirmed by the Senate; sets forth a charter which grants the OPR counsel the power to undertake investigations and to develop uniform sanctions for employee misconduct; sets priorities for funding of programs, depending on the amount of appropriations, whereby the public safety officers benefits program is to be supported, with any remaining funds up to $100 million to be used for a discretionary program to support State and local projects of proven effectiveness; permits funding of research and statistics programs should appropriations exceed $100 million; and includes the language of the Equal Access to Justice Act, as passed the Senate, which permits a court, in its discretion, to award attorney fees and other expenses to prevailing parties in civil litigation involving the U.S. to the same extent it may award fees in cases involving private parties. S. 2377—Passed Senate June 19, 1980. (*229)

Extends the authority and any limitation on authority in the Department of Justice Authorization Act, Fiscal Year 1980, for the Department of Justice until the effective date of the appropriate general authorization act or the one hundred eightieth day following enactment of this Act. H.R. 8202—Public Law 96-397, approved October 7, 1980. (VV)

Juvenile justice and delinquency prevention: Extends for four years the programs established by the Juvenile Justice and Delinquency Prevention Act of 1974, as amended; authorizes therefor $200 million each for fiscal 1981 through 1984 for Title II juvenile justice programs, and $25 million each for the same period for the Title III runaway and homeless youth program; provides that an additional purpose of the act is to assist States and localities in removing juveniles from jails and lock-ups intended for adults; establishes, as a policy of the Congress, that methods of preventing and reducing delinquency should include those with a special focus on maintaining and strengthening the family; administratively separates the Office of Juvenile Justice and Delinquency Prevention from LEAA and places it under the coordination of the Office of Justice Administration, Research and Statistics and under the general authority of the Attorney General; expands membership on the Federal Coordinating Council to include other relevant agency heads, including those of the newly formed Department of Special Education and Rehabilitation Services; reduces, from 21 to 15 members, the size of the National Advisory Committee; provides that Title II formula grant funds unobligated at the end of the fiscal year shall be reallocated in an equitable manner among States which have demonstrated compliance with the deinstitutionalization and separation requirements of the act; streamlines paperwork requirements by permitting States to submit a three year, rather than annual, juvenile justice plan; provides that State advisory groups consist of between 15 and 33 members rather than between 21 and 33 members; provides that locally elected officials be included on State advisory groups; requires that special education departments be represented on State advisory groups; reduces from one-third to one-fifth the mandatory percentage of advisory group members who are to be considered "youth" representatives and lowers the maximum age for inclusion in this category from 26 to 24 years of age; requires that three members of the advisory group shall have been or shall be under the jurisdiction of the juvenile justice system; addresses the need of juveniles who commit serious crimes by providing: programs designed to improve sentencing procedures, resources necessary for informed dispositions, and effective rehabilitation; includes on-the-job training programs to assist law enforcement and juvenile justice personnel to more effectively recognize and provide for learning disabled and other handicapped youth; identifies projects designed to work with juvenile gangs as an eligible advanced technique program area; enables juvenile courts to place status offenders (children whose actions would not be criminal if committed by adults) and nonoffenders (dependent and neglected children) in secure detention and correctional facilities (juvenile detention centers) if they are found to be in violation of a valid court order, thus assuring courts with the needed flexibility to respond to youth who chronically refuse voluntary treatment, but at the same time assuring continued protection of the basic rights of these youths; adds a new section requiring States, in order to participate in the formula grant program, to provide for removal of juveniles from jails and lock-ups for adults within five years from date of enactment; directs the Administrator to report to Congress costs incurred by States to remove juveniles from confinement in adult facilities; permits placement of juveniles accused of serious crimes in adult facilities, subject to sight and sound separation, where no acceptable alternative exists; permits States which have achieved within five years, removal of at least 75 percent of juveniles from jails and lock-ups for adults, to be given two additional years to achieve full compliance if the State has made through appropriate executive or legislative action, an unequivocal commitment to do so; allocates specific funds for prevention and treatment programs relating to juveniles who commit serious crimes; designates five percent of funds for grants and contracts to the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands and the Commonwealth of the Northern Mariana Islands; requires, for the first time, that Federal discretionary assistance be available on an equitable basis to deal with disadvantaged youth, including minority, female, and handicapped youth; prohibits use of funds for lobbying purposes at federal, state, and local levels; requires that Title III—Runaway and Homeless youth grant assistance be made equitably among the States based upon their respective population of youth under 18 years of age; and establishes two new programs under the Department of Health and Human Services, the first providing supplemental grants to centers which develop, with the cooperation of juvenile court and social services personnel, model programs addressing the needs of chronic runaways and the second providing on-the-job training to local runaway and homeless youth center personnel and coordinating networks of local law enforcement social service, and welfare personnel to assist them in recognizing and providing for learning disabled and other handicapped juveniles. S. 2441—Public Law 96- , approved 1980. (VV)

National Guard tort claims: Amends title 28, U.S.C., to extend coverage under the Federal Tort Claims Act to National Guard members, including medical personnel, engaged in training or duty thereby giving the U.S. exclusive jurisdiction in actions arising out of alleged medical malpractice and proceedings resulting from federally-authorized National Guard training activities. S. 1858—Passed Senate May 30, 1980. (VV)

New Mexico patents: Authorizes the Secretary of the Interior to issue a patent under the Color-of-Title Act to any applicant for a patent covering lands within the Rio Grande Occupancy Resolution Program Area, New Mexico. H.R. 6211—Public Law 96- , approved 1980. (VV)

Patent and trademark laws: Contains the language of S. 414 which passed the Senate April 23, 1980, with the exception of the provision requiring Government recoupment and follows the intent but revises the language of S. 2446 re: patent reexamination which passed the Senate on March 20, 1980; establishes a procedure whereby the Patent and Trademark Office could, upon the written request of any individual, reexamine prior patents or publications and issue, upon receipt of a reexamination fee, certificates as to their status or validity; requires the Commissioner of Patents to establish fees for the processing of applications and all other services and materials related to patents and trademarks; and authorizes the Commission to adjust such fees once every three years. H.R. 6933—Public Law 96– , approved , 1980. (VV)

Patent procedure: Amends title 35, U.S.C., to promote the marketing of inventions developed under Federally-supported research and development projects by nonprofit organizations and small business firms; permits any such organization or firm to elect, within a reasonable amount of time, to retain title to such inventions; permits Federal agencies which have supported such projects to retain title to inventions through their funding agreements in specified circumstances, including when necessary to conduct foreign intelligence or counterintelligence activities; requires review of agency determinations for such exceptions by the Comptroller General and the Chief Counsel for Advocacy of the Small Business Administration; directs the Comptroller General to report to Congress on the implementation of this Act by Federal agencies; enumerates provisions which must be included in funding agreements between Federal agencies and small business firms or nonprofit organizations including provisions insuring disclosure to the Federal Government of any inventions, allowing a contractor to elect, within a reasonable time period to retain title to an invention, providing that the agency shall have a nonexclusive, nontransferrable irrevocable and paid-up license to use the invention, requiring reports on the utilization of the invention, and prohibiting a nonprofit organization from assigning rights to the invention without the approval of the Federal agency; authorizes a Federal agency to transfer or assign its rights, acquired from an agency employee as coinventor, to an inventor electing to acquire title to an invention;

Empowers any Federal agency to require inventors or their assigns to grant licenses in order to: (1) achieve practical application of the invention in its field of uses; (2) alleviate health or safety needs; (3) meet requirements for public use specified by Federal regulations; or (4) achieve participation by United States industry in the manufacturing of an invention; entitles the government to 15 percent of all net income in excess of $70,000 gross income received by a contractor after a patent application is filed on a subject invention; provides that the government shall receive five percent of all income in excess of $1 million; limits the government share of any such excesses to its contributions under the funding agreement; directs the Director of the Office of Federal Procurement Policy to revise the government entitlements in light of changes to the Consumer Price Index or other indices at least every three years; and declares that the government entitlements shall cease when: (1) the patent application is rejected, (2) the patent expires, or (3) the patent is found to be invalid:

Restricts the assignment and licensing of rights by patent holders to foreign-owned or controlled firms unless such persons agree that any products embodying the invention or produced through the use of the invention will be manufactured substantially in the United States where commercially feasible; authorizes Federal agencies to withhold information on inventions from public disclosure; specifies the authority of Federal agencies with respect to obtaining patents, granting licenses, and transferring custody of patents; authorizes the Administrator of General Services to promulgate regulations specifying the terms upon which any Federally-owned inventions may be licensed; sets forth the procedure whereby Federal agencies may grant exclusive or partially exclusive licenses in any invention by a Federally-owned domestic patent or patent application; exempts the Tennessee Valley Authority from these provisions; prohibits licensing which lessens competition; directs that small business firms be given preference in exclusive or partially exclusive licensing; and enumerates provisions which must be contained in any grant of a license by a Federal agency; declares that nothing in this Act shall be construed to require the disclosure of intelligence sources or methods or otherwise affect the authority of the Director of Central Intelligence; and declares that this Act shall take precedence over any other Act in the disposition of inventions, and shall take effect 180 days after enactment, except that implementing regulations may be issued prior to that time. S. 414—Passed Senate April 23, 1980. NOTE: (Comparable provisions are contained in H.R. 6993 which became public law 96– .)

Patent reexamination: Amends title 35, U.S.C. to authorize the Commissioner of Patents and Trademarks, effective October 1, 1980, to establish rules and regulations necessary to implement a new procedure whereby the Patent and Trademark Office could, at the request of patent holders, challengers, or the Commissioner of Patents, reexamine prior uncited patents or publications and issue certificates as to their status or validity. S. 2446—Passed Senate March 20, 1980. NOTE: (Comparable provisions are contained in H.R. 6993 which became Public Law 96– .)

Pretrial services: Requires the Director of the Administrative Office of the U.S. Courts, under the supervision and direction of the Judicial Conference, to establish pretrial services in each judicial district; authorizes districts having inappropriate or inadequate resources to provide pretrial services to opt into a pretrial services program administered by a chief pretrial services officer; requires the Director of the Administrative Office of the U.S. Courts to issue regulations regarding use of pretrial service files; provides for development and implementation of a system to monitor and evaluate bail activities, provide information to judicial officers on the results of bail decisions, and prepare periodic reports to assist in the improvement of the bail process; authorizes the agencies to make contracts to carry out their functions; authorizes such sums as may be necessary for fiscal 1982 and thereafter to carry out these provisions; and establishes a diversion program and an advisory panel in each district to oversee the programs activities and authorizes therefor $3 million each for fiscal 1982 through 1984. S. 2705—Passed Senate September 30, 1980. (VV)

Privacy protection: Limits Federal, State, and local governments in their ability to procure search warrants to obtain work product and other documentary materials in the possession of a person engaged in the dissemination of information to the public; requires that guidelines be established by the Attorney General to govern Federal access to documentary evidence in the hands of all other nonsuspect third parties; and requires the Federal Government to obtain such materials through means less intrusive than a search warrant where the person is not implicated in the offense under investigation, especially when a confidential privileged relationship is involved. S. 1790—Public Law 96-440, approved October 13, 1980. (VV)

Soft drink interbrand: Restates existing antitrust laws applicable to licensing agreements granting a licensee exclusive rights to manufacture, distribute, and sell trademarked soft drink products in a defined geographic area; provides protection against treble damages for antitrust violations for members of the soft drink industry prior to any final determination that exclusive territorial provisions in soft drink franchise contracts are unlawful; and defines the words "antitrust laws" to include the Sherman, Clayton, and FTC Acts. S. 598—Public Law 96-308, approved July 9, 1980. (*147)

State of the judiciary: Requests the Chief Justice of the United States to give, at such time as may be mutually agreed on by the Chief Justice and the leadership of Congress, an annual address to a joint session of Congress on the state of the Federal judiciary and any legislative recommendations he deems necessary; and directs the Chief Justice, in those years in which he does not personally appear, to submit by March 15, a written report which shall be printed in the Record and made available to each Member of Congress. S. 2483—Passed Senate August 26, 1980. (VV)

State Justice Institute: Establishes, in the District of Columbia, a private non-profit State Justice Institute consisting of an 11-member Board and an Executive Director, appointed by the President and confirmed by the Senate; to promote improvements in State court systems in a manner consistent with the doctrines of federalism and the separation-of-powers; directs the Board to make recommendations on matters in need of special study and to coordinate activities of the Institute with those of other governmental agencies; authorizes such sums as necessary for fiscal 1982 to the Institute to administer a system of grants and contracts, which will be available on a 25 percent matching basis, to aid State and local governments and other non-profit judicial organizations for programs designed to strengthen and improve their judicial system; assigns the Institute a liaison role with the Federal judiciary, particularly as to jurisdictional issues; prohibits the Institute from duplicating functions being performed adequately by existing nonprofit organizations; provides that the Institute shall not be considered an instrumentality of the Federal government but permits the Office of Management and Budget to review and comment on its annual budget request; and provides that its officers and employees not be considered employees of the United States except to determine fringe benefits and for Freedom of Information requirements; requires each State's supreme court, or its designated agency or council, to approve all applications for funding by individual courts of the State and to be responsible for project funds awarded; requires the Institute to provide for monitoring and evaluation of its operations and programs funded by it; prohibits funds to support partisan political activities or to influence executive or legislative policy making unless responding to a specific request or the measure under consideration would directly affect a recipient or the Institute; bars the Institute from participating in any litigation except in narrowly defined situations; prohibits the Institute from interfering with the independent nature of State judicial systems and from allowing funds to be used for regular judicial and administrative activities of any State judicial system other than under the terms of any grant, cooperative agreement, or contract with the Institute; requires that procedures for notice and review of any decision to suspend or terminate funding of a project be established; authorizes the Institute to require that recipients maintain certain records; requires that non-Federal funds be accounted for separately from Federal funds; and requires an annual audit of

Institute accounts by the General Accounting Office. S. 2387—Passed Senate July 21, 1980. (VV)

Supreme Court Grounds: Authorizes the Architect of the Capitol to acquire, as an addition to the grounds of the U.S. Supreme Court Building, certain privately-owned property located at the Northwest Corner of Third and A Streets, N.E., to be used as a parking lot for employees of the Supreme Court; and authorizes therefor $645,000 which includes funds for administrative costs and for paving and landscaping the property. S. 2134—Passed Senate May 16, 1980. (VV)

Tax Court judges: Amends the Internal Revenue Code, effective February 1, 1981 to increase the number of U.S. Tax Court judges from 16 to 19 and to eliminate the ban on initial appointments of individuals of 65 or older as judges of the U.S. Tax Court. H.R. 7779—Public Law 96-439, approved October 13, 1980. (VV)

Trademark Trial and Appeal Board: Amends current law to permit the hiring of persons from outside the Patent and Trademark Office to fill vacancies on the Trademark Trial and Appeal Board; and eliminates the requirement that the Civil Service Commission approve the qualifications of persons hired for these positions. H.R. 4273—Public Law 96-455, approved October 15, 1980. (VV)

Wire tap: Amends title III of the Omnibus Crime Control and Safe Streets Act of 1968 to establish uniform statutory procedures relating to court-ordered "surreptitious entries" (defined as physical entries upon a private place or premise to install, repair, reposition, replace, or remove any electronic, mechanical, or other device) to install court-authorized electronic eavesdropping devices; requires that, when a "surreptitious entry" is necessary for the installation of a court-authorized electronic intercept device, the applicant for the order must state in the application that such an entry will be required to effect the interception and why other means of accomplishing the same objectives are not feasible; requires that the issuing judge determine whether the use of "surreptitious entry" is justified; requires that the intercept order itself specifically state whether a "surreptitious entry" is authorized; provides that the interception order shall identify the agency authorized to make the entry, and that the order shall require the government attorney supervising the interception to notify the issuing court in writing of any subsequent reentry and its purpose; and permits the authorization of an emergency interception of wire or oral communications without a prior court order if a situation exists which involves an immediate danger of death or serious physical injury. S. 1717—Passed Senate June 9, 1980. (VV)

NATURAL RESOURCES MANAGEMENT—NATIONAL HISTORIC SITES

Adams National Historic Site: Authorizes the Secretary to accept, as part of the Adams National Historic Site in Quincy, Massachusetts, the conveyance of the United First Parish Church in which John Adams, John Quincy Adams, and Abigail Adams are buried, and authorizes therefor such sums as may be necessary for fiscal 1981. H.R. 7411—Public Law 96-435, aproved October 10, 1980. (VV)

Bear River compact: Grants Congressional approval to the amended Bear River Compact, as ratified in 1979 by Idaho, Utah, and Wyoming, concerning the distribution and use of the waters of the Bear River; establishes an equitable apportionment of the waters among the compacting States and allows additional development of the water resources; and retains the provision requiring a review at intervals not exceeding 20 years to allow future revisions to be made as necessary. H.R. 4320—Public Law 96-189, approved February 8, 1980. (VV)

Biscayne and Valley Forge National Parks—Fort Jefferson National Monument: Expands by 71,000 acres the existing Biscayne National Monument in Florida and redesignates the area as a National Park; authorizes an additional $8.5 million to the Secretary for land acquisition and such sums as may be necessary for administration of the park; calls for a wilderness suitability study to be submitted within three years; specifically prohibits acquisition of State-owned lands by any means other than donation; confirms the designation of the Fort Jefferson National Monument by Presidential Proclamation and establishes a more identifiable boundary; gives the Secretary express authority to accept donations of funds for the monument; provides for the preparation and submission of a management plan; calls for a wilderness suitability study to be submitted within three years; increases by approximately 682 acres the Valley Forge Historic Park and authorizes therefor $5.3 million; and provides such sums as may be necessary for the development of a management plan for the natural environmental area surrounding Fort Jefferson National Monument. H.R. 5926—Public Law 96-287, approved June 28, 1980. (VV)

Bogue Chitto National Wildlife refuge: Establishes the Bogue Chitto National Wildlife Refuge consisting of approximately 40,000 acres of bottomland hardwood in southern Louisiana and Mississippi; and authorizes, for fiscal 1981 through 1985, $13 million for acquisition of the refuge and $1 million for construction of the refuge headquarters, boat launching facilities, and the accomplishment of boundary surveys. H.R. 6196—Public Law 96-288, approved June 28, 1980. (VV)

Bon Secour National Wildlife Refuge: Authorizes the Secretary of the Interior to acquire approximately 10,000 acres of land and water along the Alabama Gulf Coast for the establishment of the Bon Secour National Wildlife Refuge which will serve as a laboratory for scientists and students and provide wildlife-oriented recreation for the public; authorizes therefor $6 million in fiscal 1981, $8 million each for 1982 and 1983, and $9.5 million each for 1984 and 1985; and includes an additional $1.5 million for fiscal 1981, to remain available until expended, for the development of the proposed refuge area which contains highly significant and varied habitat which support important nurseries, is a critical resting and feeding site for migratory birds, and contains endangered and threatened species. H.R. 6727—Public Law 96-267, approved June 9, 1980. (VV)

Boston African American National Historic Site: Establishes within Boston, Massachusetts, the Boston African American National Historic Site which includes the African American Meeting House; and creates a 15-member Commission to establish the National Center for the Study of Afro-American History and Culture at Wilberforce, Ohio. H.R. 7434—Passed House August 25, 1980; Passed Senate amended September 30, 1980. (VV)

Central Valley project, California: Provides for the inclusion of the Yolo-Zaora, Dunnigan, and Colusa County Water Districts within the authorized service area of the Tehama-Colusa Canal, a feature of the Central Valley Project in California. H.R. 2111—Passed House November 27, 1979; Passed Senate amended September 4, 1980. (VV)

Channel Islands: Establishes the Channel Islands National Park in California which includes the islands of San Miguel, Prince, Santa Rosa, Santa Cruz, Anacapa, and Santa Barbara; authorizes therefor $30.1 million for land acquisition; directs the Secretary, in consultation with the Secretary of Commerce, the State of California, and other Federal and private entities, to develop a natural resources study report for the park and to enter into cooperative agreements regarding enforcement of Federal and State laws within the park;

Amends the National Parks and Recreation Act (Public Law 95-625) to authorize funds for the addition of 2,133 acres to the Point Reyes National Seashore in California, approximately 5,000 acres to the Golden Gate National Recreation Area, and 475 acres for the Harpers Ferry National Historic Park; increases from $425,000 to $2.5 million the funding for the Ice Age National Scientific Reserve in Wisconsin; increases the land acquisition ceiling for the Olympic National Park in Washington from $13 million to $23.7 million; and authorizes $2.813 million to the Secretary to provide assistance to Louisiana for reconstruction of Fort St. Jean Baptiste de Natchitoches;

Makes minor boundary adjustments to the Carl Sandburg Home National Historic Site, the Chickamauga and Chattanooga National Military Park, the Fredericksburg and Spotsylvania County National Military Park, the Saratoga National Historic Park, and the C&O Canal National Historic Park; and provides for the continued protection of Palmer's Chapel in the Great Smokey Mountains National Park;

Designates the David Berger Memorial in Cleveland Heights, Ohio, as a National memorial for the 11 Israeli athletes assassinated at the 1972 Olympic games in Munich, Germany; authorizes the purchase of land in the harbour at Charleston, South Carolina for a tour boat facility providing access to Fort Sumter National Monument; establishes the Yaquina Head Outstanding Natural Area in Oregon; and provides for the establishment of a suitable memorial in the National Park System to commemorate each former President of the United States. H.R. 3757—Public Law 96-199, approved March 5, 1980. (*41)

Chesapeake Bay research: Establishes, within the Department of Commerce, a 15-member Chesapeake Bay Research Coordination Board which shall develop a Chesapeake Bay Research Plan to: (1) coordinate federally conducted and supported research to increase fundamental knowledge in support of wise management of the Chesapeake Bay area, (2) identify key management information needs and specify a coherent program of research that will respond to those needs, (3) identify the needs and priorities for additional research required for the improvement of fundamental knowledge about the Bay area, (4) assure a comprehensive and balanced approach to Federally-conducted and supported research on the area, (5) encourage utilization of the results and findings of the research, and other relevant information, in the management decisionmaking processes which have an impact on the Bay, and (6) foster public understanding of the role of the Bay as a unique national resource; requires the Board to submit, to Congress and the Governors of Maryland and Virginia, an annual report on current and planned research programs pertaining to the Bay area and their relationship to the Chesapeake Bay Research Plan, together with any recommendations; and authorizes therefor $500,000 for each fiscal 1982 through 1984. H.R. 4417—Public Law 96-460, approved October 15, 1980. (VV)

Cibola National Forest: Increases from $12 million to $20 million the authorization for acquisition of lands to be added to the Cibola National Forest under the Endangered American Wilderness Act of 1978 (Public Law 95-614) in order that the Secretary of Interior may acquire, as an extension of the Sandia Mountain Wilderness in New Mexico, an additional 6,423 acres of land, contingent upon

a determination by the Secretary that the city of Albuquerque has acquired an option to purchase approximately 640 acres near the tract for open space or city park use; and withdraws such lands from mineral entry. H.R. 3928—Public Law 96-248, approved May 23, 1980. (VV)

Expands the boundary of the Cibola National Forest in New Mexico to include an adjacent area of approximately 14,476 acres; amends Public Law 95-244 to extend for an additional five years, through September 30, 1985, the authority of the Secretary of Interior to make payments to appropriate school districts to assist them in providing educational benefits to students living on non-taxable lands at or near the Grand Canyon National Park and authorizes therefor $1.5 million each for fiscal 1981 and 1982; and allows funds authorized to remain available until appropriated through 1985. S. 1803—Passed Senate June 6, 1980. (VV)

Coastal zone management: Extends for eight years, through fiscal year 1988, the Coastal Zone Management Act of 1972, at an annual authorization of $236 million; contains $100 million for coastal energy impact formula grants; $35 million for grants to States for reservation or restoration of coastal areas of conservation, recreational, ecological, or esthetic value; $5 million for Outer Continental Shelf State participation grants; $5 million for interstate coastal zone management coordination; $25 million for States affected by coastal activities relating to transportation, transfer, or storage of coal; $10 million for estuarine sanctuaries and island preservation; and $6 million for administration. S. 2622—Public Law 96-464, approved October 15, 1980. (VV)

Colorado River Basin salinity control: Increases from $155,500,000 to $356,400,000 the appropriations ceiling for the construction of a large desalting plant near Yuma, Arizona (pursuant to an agreement with Mexico dated August 30, 1973), to cover increases in construction costs and certain project changes and makes the amount subject to construction cost indexing; authorizes the Secretary of Interior to use power and energy from the Navajo Generating Station at Page, Arizona, to meet the power requirements of the program after he has completed an analysis of alternative sources of power supply including the possibility of contracting with Mexico for the additional power; authorizes the Secretary to enter into contracts for the delivery of certain water within the United States for irrigation, municipal, and industrial uses; authorizes the Secretary to provide measures to mitigate fish and wildlife habitat losses resulting from construction; increases from $400 million to $600 million the authorization under the Small Reclamation Projects Act; and exempts from interest charges that portion of project loans attributable to furnishing benefits to facilities operated by U.S. agencies. S. 496—Public Law 96-336, approved September 4, 1980. (VV)

Authorizes the Secretary of Interior to conduct feasibility studies of ten salinity control projects along the Colorado River Basin. S. 3017—Passed Senate September 25, 1980. (VV)

Feasibility investigations: Authorizes the Secretary of Interior to undertake feasibility investigations of 25 water resource related developments; authorizes the Secretary to enter into new contract with present concessionaires on Lake Berryessa in California and contains provisions to protect the investments made by concessionaires in permanent facilities; increases, from $18,246,000 to $57,139,000, the authorization ceiling for the Closed Basin Water Project, a division of San Luis Valley Project, Colorado, to conform with recent Water and Power Resources Service design changes; designates the Curecanti Storage Unit of the Colorado River Storage Project as the Wayne N. Aspinall Storage Unit; expands the options available to the Secretary of Interior in requiring advance payment for water delivered from Federal reclamation projects to permit bimonthly and monthly payments in addition to annual and semiannual payments; authorizes the Secretary to conduct a three-year feasibility study of integrating solar and hydroelectric power in the lower Colorado River Basin; broadens the scope of the statutory ban prohibiting the Secretary from undertaking studies of any plan to import water into the Colorado Basin to include all Federal officials; increases to $172,728,000 the authorization ceiling for construction of the Brantley Dam Project, New Mexico; and authorizes the Secretary to conduct feasibility studies for ten salinity control projects which will assist the seven Colorado River Basin States in meeting their commitments to reduce the salt concentration in the Colorado River Basin. H.R. 5278—Public Law 96-375, approved October 3, 1980. (VV)

Federal land policy and management: Amends the law enforcement provisions of the Federal Land Policy and Management Act of 1976 to provide a fine of no more than $500 and/or six months imprisonment for petty offenses in violation of the Act's regulations; and permits the Secretary of Interior to authorize designated Federal personnel and local officials who are not authorized to carry firearms to enforce regulations dealing with petty offenses and to prescribe training standards, equipment requirements, and procedures for such personnel to follow. S. 2209—Passed Senate May 7, 1980. (VV)

Fish and wildlife conservation: Authorizes $5 million each for fiscal 1981 through 1984 to the Secretary of the Interior to establish for the first time a comprehensive wildlife conservation grant program, whereby States would receive Federal matching funds for the development, revision, and maintenance of approved plans and programs established for conservation of both game and nongame vertebrate wildlife; specifically lists those items which a plan must contain including an inventory of all nongame fish and wildlife within the State; requires the Secretary to either approve or disapprove a plan within 180 days following submission; outlines specific requirements and limitations with respect to reimbursement; authorizes partial reimbursement for plan development costs, for nongame fish and wildlife activities included in approved plan, and for certain other nongame fish and wildlife activities not contained in an approved plan; establishes a formula, based on land area and population ratios, for distribution of funds among States and territories; allocates up to eight percent of the authorized funds for administration, and requires the Director of the Fish and Wildlife Service to conduct a study to determine the most equitable and effective way to fund the projects under the Act and to report to Congress, within 30 months, the results of the study, and any recommendations. H.R. 3292—Public Law 96-366, approved September 29, 1980. (VV)

Georgia O'Keeffe National Historic Site: Authorizes the Secretary of Interior to acquire the site and structures comprising the home and studio of Georgia O'Keeffe, noted American artist, located in Abiquiu, New Mexico. S. 2363—Public Law 96- , approved 1980. (VV)

Great Dismal Swamp National Wildlife Refuge: Extends for three years, until September 30, 1983, the authorization period for land acquisition and development of the Great Dismal Swamp National Wildlife Refuge located in the States of Virginia and North Carolina, and increases the ceiling on the uniform allowance for Fish and Wildlife Service employees from $125 to $400 per year. H.R. 4889—Public Law 96-291, approved June 28, 1980. (VV)

Great Plains conservation: Amends the Soil Conservation and Domestic Allotment Act to: (1) extend through September 30, 1991, the Great Plains Conservation Program, due to expire December 31, 1981, under which the Secretary of Agriculture is authorized to enter into cost-sharing conservation contracts with farmers and ranchers; (2) expand the scope of the contracts to include farms, ranches, and other lands susceptible to serious water, as well as wind, erosion; (3) increase from $300 million to $600 million the overall limitation on program costs, exclusive of administrative costs; and (4) increase from $25 million to $50 million the annual program payment limitation; and makes October 1, 1980, the effective date of this bill. H.R. 3789—Public Law 96-263, approved June 6, 1980. (VV)

Historic Sites: Authorizes the Secretary of the Interior to provide financial assistance for maintenance and security of the Folger Shakespeare Library and the Corcoran Gallery of Art in Washington, D.C., and to make funds available to the Accokeek Foundation for the operation and maintenance of the National Colonial Farm at Piscataway Park in Maryland; authorizes the Secretary to accept, by donation, the home and studio of artist Georgia O'Keeffe at Abiquiu, New Mexico, and to acquire a one-acre off-site support facility and authorizes therefor $40,000 for acquisition and $100,000 for development; adds three parcels of land to the Golden Gate National Recreation Area; increases from 17 to 18 the Advisory Commission membership and from three to five years the terms of the existing members; adds approximately 2.5 acres, acquired by donation, to the Boston National Historical Park; modifies the boundaries of the Pinnacles National Historic Site which would result in a net addition of about 32 acres to the monument and the Golden Spike National Historic Site which would add approximately 534.93 acres; amends section 8 of the 1970 General Authorities Act to require that reports on areas which appear to have potential for establishment as units of the National Park System include reference to the theme represented in the National Park System Plan and that annual listings of the areas include an update on the conditions of areas previously listed;

Amends the Land and Water Conservation Fund to: (1) authorize the Secretary to designate for each entrance fee area the number of consecutive days that would constitute a single visit, (2) authorizes the Secretaries of Interior and Agriculture to establish procedures for the issuance of a lifetime admission permit to any citizen or person residing in the U.S. who is blind or disabled for purposes of Federal aid, and (3) provide that those blind or disabled persons who qualify for the waiver of entrance fees also receive a 50 percent reduction in the established user fee within Federal areas;

Permits the Lowell Historic Preservation Commission to retain any revenues or other assets it receives without regard to fiscal year limitation and requires annual audits of these funds; directs the Secretary to inform the public of the contributions of Representative Ryan in the creation of the Gateway National Recreation Area; increases from seven to 11 the membership of the San Antonio Missions National Historical Park Advisory Commission; designates the Over Mountain Victory Trail as a National Historic Trail and a component of the National Trail System; directs the Secretary to study and determine measures to protect the Falls of the Ohio between Kentucky and Indiana; and directs the Secretary to investigate (1) sites associated with the former President of the AFL-CIO, George Meany, for a suitable memorial and to sub-

mit a report thereon to the Congress within two years and (2) locations and events associated with the historical theme of Man in Space. S. 2680—Public Law 96-344, approved September 8, 1980. (VV)

Ice Age National Scenic Trail: Designates the 1,000 mile Ice Age Trail in Wisconsin as a national scenic trail within the National Trails system under the administration of the Department of Interior; permits Wisconsin, upon the Secretary's approval, to prepare a comprehensive management plan for the trail; permits the use of snowmobiles on certain sections of the trail; and authorizes therefor such funds as necessary and specifies that no direct Federal acquisition will take place outside the exterior boundaries of the existing Federal areas of the trail. H.R. 7825—Public Law 96-370, approved October 3, 1980. (VV)

INTERSTATE COMPACTS

Caddo Lake: Grants Congressional consent to the Caddo Lake Compact between the States of Louisiana and Texas which addresses issues regarding the use of Caddo Lake water that are not adequately dealt with in the Red River Compact; outlines the provisions of the compact as ratified by the two States in 1979; promotes interstate comity and allows utilization of Caddo Lake water for the needs of adjacent portions of Louisiana and Texas; preserves and protects Caddo Lake as a valuable environmental, cultural, and natural resource; and enhances recreational potentials. S. 2228—Passed Senate September 24, 1980. (VV)

Red River: Grants Congressional consent to the Red River Compact among the States of Arkansas, Louisiana, Oklahoma, and Texas which promotes interstate comity and removes causes of controversy between each of the affected States by governing the use, control, and distribution of the interstate water; outlines the provisions of the compact, as ratified by the respective States on May 12, 1978; promotes an active program for the control and alleviation of natural deterioration and pollution of the Red River Basin and provides for enactment of the laws related thereto; provides the means for an active program for the conservation of water, protection of lives and property from floods, improvement of water quality, development of navigation, and regulation of flows; and provides a basis for State or joint State planning and action by ascertaining and identifying each State's share in interstate water and its apportionment. S. 2227—Passed Senate September 24, 1980; Passed House amended December 1, 1980. (VV)

John Sack Cabin: Authorizes the Secretary of Agriculture, in consultation with the Fremont County Historical Society and other interested organizations, to take such action as may be necessary to protect and maintain the John Sack Cabin, within the Targhee National Forest, Idaho. S. 924—Passed Senate September 29, 1980. (VV)

Langmuir Research Area, New Mexico: Expands the existing research area of the Langmuir Laboratory for Atmospheric Research by establishing, within the Cibola National Forest, New Mexico, a 31,000 acre Langmuir Research Site to preserve conditions necessary for continued scientific research into atmospheric processes and astronomical phenomena; and directs the Secretary of Agriculture to enter into a land use agreement with the New Mexico Institute of Mining and Technology for use of the site and to incorporate a comprehensive management plan into the initial Cibola National Forest Land and Resource Management Plan. S. 2364—Passed Senate September 25, 1980. (VV)

Law enforcement assistance at Corps of Engineers projects—Urban water front projects: Extends for two years through fiscal 1982, authority for the Corps of Engineers to contract with State and local law enforcement officials to provide protection for visitors at Corps of Engineers recreation areas and authorizes therefor $6 million annually; and removes the authority of the Federal Government to reclaim land once considered to be navigable waters in order to permit the continued development of certain specified urban waterfront projects. S. 2724—Passed Senate September 22, 1980. (VV)

Manassas National Battlefield Park: Increases by 1,522 acres, the boundaries of the Manassas National Battlefield Park, Virginia, making the total acreage 4,525 and authorizes therefor $8.7 million for land acquisition plus an additional $150,000 for a study of a portion of the Hackensack Meadowlands District to determine the feasibility of establishing the area as a unit of the National Park System. H.R. 5048—Public Law 96-442, approved October 13, 1980. (VV)

Martin Luther King, Jr., Historical Site: Establishes, within Georgia, the Martin Luther King, Jr., National Historic Site and Preservation District; establishes a 13-member, 10-year Commission to prepare an overall development plan; and authorizes therefor, for fiscal 1980, not to exceed $1 million for development, $100,000 for local planning, and $3.5 million for land acquisition. H.R. 7218—Public Law 96-428, approved October 10, 1980. (VV)

Materials and minerals policy: Declares that the continuing policy of the United States is to promote an adequate and stable supply of materials necessary to maintain national security, economic well-being and industrial production with appropriate attention to a longterm domestic balance between resource production, energy use, a healthy environment, natural resources conservation, and social needs; requires the President, through the Executive Office, to implement the policy and coordinate the responsible departments and agencies to meet specified objectives and policies; and calls for submission of the following: (1) within one year, a plan to implement existing or prospective proposals and organizational structures within the executive branch together with recommendations for legislation and administrative initiatives to reconcile policy conflicts and establish programs and institutional structures necessary to achieve the goals of a national materials policy; (2) within three months, to identify and submit a specific materials needs case related to national security, economic well being and industrial production; and (3) within one year, a report which assesses the identified critical materials needs and recommends programs to assist in meeting these needs. H.R. 2743—Public Law 96-479, approved October 21, 1980. (VV)

National historic preservation: Extends the Historic Preservation Act for five years and authorizes therefore $150 million annually; establishes criteria to qualify State historic preservation programs for increased authorities; provides, for the first time, certification of local government programs allowing them to participate in Federal financial assistance, review of nominations to the National Register, and review of Federal undertakings on historic properties within their jurisdictions; defines Federal agency responsibilities; revises the structure of the Advisory Council on Historic Preservation; provides for proper maintenance of archeological resources, procedures for implementing the World Heritage Convention, a loan insurance program to stimulate private investments in the preservation of properties included on the National Register, recognition of the National Museum of the Building Arts, and studies to provide information on historic preservation matters; requires that all property owners be given notice and an opportunity to concur in or object to the inclusion of their property on the National Register or designation as a National Historic Landmark; offers incentives for properties to be included on the National Register; assures that appeals of National Register nominations be directed to the Secretary; authorizes Federal agencies to undertake, to the maximum extent practicable, planning and actions as necessary to minimize harm to a national historic landmark which might be directly and adversely affected by a Federal undertaking; and provides discretionary, rather than mandatory, authority for Federal agencies to use funds available for specific projects for related preservation activities. H.R. 5496—Public Law 96- , approved 1980. (VV)

National Park Service funds: Authorizes the Secretary of the Interior to accept and expend privately donated funds in order to assist in the acquisition, restoration, or preservation of those properties listed on the National Register of Historic Places which are owned by local government and nonprofit corporations; permits the Secretary to transfer for this purpose unobligated funds previously donated to the National Park Service upon the donor's consent; and extends for three years, through fiscal 1983, the Advisory Council on Historic Preservation. H.R. 126—Public Law 96-244, approved May 19, 1980. (VV)

National sea grant program: Extends for three years, through fiscal 1983, the national sea grant college program and authorizes therefor $50 million for fiscal 1981, $58 million for 1982, and $65 million for 1983; reauthorizes the national sea grant projects program at $5 million, $6 million, and $7 million for the three-year period and the international cooperation assistance program at $5 million annually; includes the Great Lakes as a specific reference in the definition of "marine environment"; permits the use of sea grant funds for short term use of buildings or facilities for meetings which are in direct support of sea grant programs or projects; allows members of the sea grant review panel to serve more than one term; and temporarily waives the 60-day period during which fishermen must file their claims under the Fisherman's Protective Act in order to be compensated for damages caused by foreign or U.S. fishing activity within the 200-mile zone and permanently changes the filing deadline to 90-days for programs or projects. H.R. 6614—Public Law 96-289, approved June 28, 1980. (VV)

New Melones Dam—Water resources projects: Authorizes, in addition to any funds otherwise authorized, $2 million for archeological research and recovery operation for the New Melones Dam and Reservoir project, located approximately 35 miles northeast of Modesto, California, on the Stanislaus River; and authorizes the Secretary of the Army, acting through the Chief of Engineers, to design and construct (1) a project for navigational improvements and expansion of the Kodiak Harbor, Alaska, in accordance with the plans and subject to the conditions recommended by the Chief of Engineers in his report dated September 7, 1976, at an estimated cost of $8,597,000, and (2) a project, at full Federal expense, to alleviate major flooding in communities along the Tug and Levisa Forks and Cumberland Rivers in West Virginia and Kentucky, at an estimated cost of $200 million. H.R. 5872—Passed House November 15, 1979; Passed Senate amended January 29, 1980. (VV)

Nonnavigable waters: Provides that a portion of the Buffalo Harbor area, New York, and certain portions of the Trent River in New Bern, North Carolina, be declared nonnavigable to protect those waters from future Government removal or alteration of structural works in anticipation of urban renewable projects being sponsored by the Buffalo urban renewal agency and the Erie County Industrial Development Agency, and by the

State of North Carolina and the Department of Housing and Urban Development, respectively; and provides that any Federal project submitted for authorization for the construction or modification of levees on the Rio Grande between Bernalillo and Belen, New Mexico, shall not require the modification of existing river bridges to pass flows in excess of those they can presently accommodate. H.R. 8228—Public Law 96– , approved 1980. (VV)

San Francisco Bay National Wildlife Refuge: Extends for three years, until September 30, 1983, the authority of the Secretary of Interior (under Public Law 92–330) to acquire lands for inclusion in the San Francisco Bay National Wildlife Refuge and authorizes therefor $4.2 million; provides that the funds presently authorized for development remain available until expended; and authorizes the Secretary to acquire tidelands, subject to the interests of California, for inclusion in both the San Francisco Bay and Humboldt Bay National Wildlife Refuges. H.R. 4887—Public Law 96–290, approved June 28, 1980. (VV)

Suisun Marsh, California: Authorizes the Secretary of Interior to enter into a cooperative agreement with California to provide for mitigation of adverse effects of the Central Valley Project on fish and wildlife in the Suisan Marsh and authorizes therefor $2.5 million for fiscal 1981 to reimburse the State for the 50-percent Federal share of the costs of mitigation facilities currently under construction. H.R. 4084—Public Law 96– , approved 1980. (VV)

Tensas River National Wildlife Refuge: Authorizes $10 million to the Department of the Interior and $40 million to the Department of the Army for acquisition of some 50,000 acres of privately-owned bottomland hardwoods in the Tensas, Madison, and Franklin Parishes in northeast Louisiana for establishment of the Tensas River National Wildlife Refuge; provides that the land to be acquired by the Department of the Army would satisfy the mitigation requirements of six specified Corps of Engineers water resource development projects, pursuant to the Fish and Wildlife Conservation Act, which mandates that fish and wildlife resources receive equal consideration with other project features in planning and implementing water resource development programs; permits the Secretary of the Army, in the event such projects are not authorized or implemented, to substitute additional projects which are in the vicinity of the refuge and have similar mitigation requirements; directs the Secretary of Interior to manage the refuge as part of an overall Federal management plan for the use of water and related land resources of the area, including conservation of the diversity of fish and wildlife and their habitat and development of outdoor recreation and interpretive educational opportunities; and calls for a modification of the Tensas River flood control project which would be more environmentally acceptable but still provide effective flood control. H.R. 6022—Public Law 96–285, approved June 28, 1980. (VV)

Tinicum National Environmental Center: Increases from $11.1 million to $19.5 million, of which $8.4 million shall be available effective October 1, 1980, the authorization for acquisition, construction, and development projects at the Tinicum National Environmental Center, Philadelphia, Pennsylvania, to remain available until September 30, 1985, in order to allow continued development of Tinicum as a national environmental education center and to preserve it as an urban refuge; directs the Environmental Protection Agency, in consultation and cooperation with the Fish and Wildlife Service, to investigate potential environmental health hazards posed by the Folcroft landfill, within the boundaries of the center, and to recommend ways of addressing such hazards; allows 13 families, residing permanently at Corolla, North Carolina, to cross the Black Bay Wildlife Refuge at restricted times daily in order to get to and from their places of employment and shopping areas; and authorizes Federal assistance to provide for the management of Sailors' Snug Harbor on Staten Island, New York, as a Wildlife Refuge Center. S. 2382—Public Law 96–315, approved July 25, 1980. (VV)

Umatilla and Wallowa National Forests: Allows acquisition by land exchange of up to 900 acres adjacent to the Umatilla National Forest and 1,600 acres adjacent to the Wallowa-Whitman National Forest in northeastern Oregon by extending the authority of the General Exchange Act of 1922 to those areas; and removes about 122,967 acres that lie outside the boundary of these National Forests from the authority of three existing acts in order to eliminate the possibility of future Forest Service acquisition of these lands. S. 2398—Public Law 96-406, approved October 9, 1980. (VV)

Water resources research—saline water conversion: Extends for two years, through fiscal 1982, the basic activities of the Office of Water Research and Technology (OWRT) under the Water Research and Development Act; provides specific authorizations for the various categories of funding for 1982 and 1983, respectively, as follows: Water Research Institutes Matching Grant Program—up to $150,000 per institute and up to $160,000 per institute; State Institutes Technology Transfer Programs—$1.5 million annually; Research Grants—$8 million and $9 million; National Research Program—$5.2 million and $8 million; Water Resources Demonstration Program—$1 million annually; Saline Water Research and Development Program—$14.4 million and $17.4 million; and National Technology Transfer Program—$6.5 million and $8.5 million; authorizes the Secretary to require any or all of the State Water Institutes to review OWRT research and grant contract proposals originating within their respective States; broadens the water research institute's program to permit participation by local governmental or academic institutes;

Make a number of changes to the Saline Water Demonstration Program as follows: alters the formulas for calculating the Federal share of costs associated with saline water demonstration projects conducted by local sponsors by requiring that the local entity pay, in cash or kind, at least 15 but not more than 35 percent of a project; clarifies Congressional intent in present law that each Saline Water Demonstration project should be significantly different from others constructed under the demonstration program; limits Congressional review of rules, regulations, and other requirements promulgated by the Secretary to formally promulgated rules and regulations only; and removes the limit on the number of plants that can be built and places a $50 million ceiling on the entire demonstration program which is in addition to the basic funding authorized for the program. S. 1640—Public Law 96–457, approved October 15, 1980. (VV)

White River National Forest: Increases the boundary of the White River National Forest in Colorado, by approximately 36,148 acres consisting of Bureau of Land Management (BLM) lands, privately owned lands, and 371 lands currently administered by the Forest Service; and extends for one year existing grazing permits under BLM administration after which time new grazing permits could be issued by the Forest Service. H.R. 1967—Public Law 96–348, approved September 12, 1980. (VV)

WILDERNESS AREAS

Colorado Wilderness: Designates, as components of the National Wilderness Preservation System, approximately 1,420,900 acres of roadless national forest lands in Colorado, (15 new wilderness areas and additions to six existing areas), 27,821 acres in Missouri (four new wilderness areas), 10,700 acres in South Dakota (one new area), 8,700 acres in Louisiana (one new area), and 13,720 acres in South Carolina (four new areas); changes the boundaries of Rocky Mountain National Park, the Arapaho National Forest, and the Roosevelt National Forest; establishes a 10,000 acre Wheeler Geologic Study Area within the Gunnison National Forest, Colorado; designates nine areas in Colorado totaling 477,000 acres as wilderness study areas; makes such designations as a result of the Administration's second Roadless Area Review and Evaluation (RARE II) and provides that national forest lands in Colorado which have been studied as a part of RARE II, except those lands designated as wilderness or given other protection, shall be available for uses other than wilderness under existing Forest Service plans; includes language to preclude administrative appeals and lawsuits regarding land use on the grounds that there has not been sufficient wilderness review; ensures that private landowners within the boundaries of National Forest wilderness areas in Colorado have access to their property consistent with rules and regulations governing access across the National Forest System; and directs the Secretary to review policies and practices related to the control of disease, insect outbreaks, or fire within the wilderness areas. H.R. 5487—Passed House December 10, 1979; Passed Senate amended September 25, 1980. In conference. (VV)

Idaho Wilderness: Designates a new 2,234,000-acre River of No Return Wilderness in Idaho consisting of the Old Idaho and Salmon River Breaks Primitive Areas and certain contiguous lands in central Idaho and adds approximately 105,600 acres in the Bitterroot National Forest to the existing Selway-Bitterroot Wilderness; requires the Secretary of Agriculture to prepare, within three years of enactment, a wilderness management plan for the River of No Return Wilderness which specifically addresses ways in which the region can be accessed for public use and enjoyment and contains a cultural resource management plan to encourage scientific research into the past use of the area; includes the Clean Creek Area (West Panther Creek) within the wilderness area in order to protect the big horn sheep but insures that the area can be thoroughly explored to determine if cobalt is located there and, if so, guarantees that it can be mined; specifically allows the Blackbird Cobalt mine in Lemhi County to reopen; reiterates several provisions of the Wilderness Act which allow for the continued use of the areas for grazing and commercial services such as outfitter and guide operations and underscores the jurisdiction over water resources and fish and game within the areas; prohibits the Forest Service from closing airstrips except for reasons of safety; designates 125 miles (a specified 46-mile segment is designated as recreational and a 79-mile segment as wild) of the main Salmon River as a component of the National Wild and Scenic Rivers System to be administered by the Secretary of Agriculture; insures existing jetboat use of these segments at the 1978 level; contains a prohibition on dams and other impoundments on a specified 53-mile segment; bans dredge and placer mining; and establishes a procedure whereby existing administrative and future litigation surrounding the Warren and Landmark Unit Land Management Plans and their respective final environmental statements would be expeditiously handled by the Forest Service and the Federal Courts. S. 2009—Public Law 96–312, approved July 23, 1980. (423)

New Mexico Wilderness: Designates eight new wilderness areas and existing areas comprising some 609,000 acres of roadless national forest lands in New Mexico as components of the National Wilderness Pres-

ervation System, and aproximately 117,500 acres for further study for possible inclusion in the system; sets forth special management and administrative provisions for the area; makes such designations as a result of the Administration's second Roadless Area Review and Evaluation (RARE II) and provides that national forest lands in New Mexico which have been studied as a part of RARE II, except those lands designated as wilderness or given other protection, shall be available for uses other than wilderness under existing Forest Service plans; includes language to preclude administrative appeals and lawsuits regarding land use on the grounds that there has not been sufficient wilderness review; establishes the Chaco Culture National Historical Park; and includes provisions identical to S. 2364 and S. 539; the Salinas National Monument. H.R. 8298—Public Law 96– , approved 1980. (VV)

Rattlesnake National Recreation Area and Wilderness: Establishes the Rattlesnake National Recreation Area with the Lolo National Forest, Montana, consisting of 59,028 acres of land, and designates approximately 33,000 acres of such land as the Rattlesnake Wilderness; requires the Secretary of Agriculture to acquire all non-Federal lands or interest in lands within the area by purchase, exchange, or gift within three years of enactment; and authorizes therefor such sums as may be necessary. S. 3072—Public Law 96-476, approved October 19, 1980. (VV)

SENATE

Billy Carter tax investigation: Authorizes the Senate Judiciary Subcommittee, established on July 24, 1980, to inspect any tax return or related material for tax years 1975 through 1980 relating to William E. (Billy) Carter, III, including any trusts or other business entities in which he or his wife have a beneficial interest, in order that the subcommittee may conduct its investigation of charges that he received financial assistance, reimbursements, or payments from Libyan sources because of his preexisting financial condition. S. Res. 496—Senate agreed to August 1, 1980. (VV)

Committee funds: Simplifies the committee budgetary process by providing, effective February 28, 1981, that all expenditures of each Senate committee, staff, and the expenses related to all operations, including inquiries and investigations, be allocated in a single annual resolution, originating in each committee; deletes that portion of paragraph 1 of standing rule XXVI which authorizes, on a permanent basis, $10,000 for routine expenses for each standing committee and provides instead that such expenditures be disbursed from the contingent fund of the Senate through resolutions submitted by each committee; repeals paragraph 1 of standing rule XXXI which provides each committee with six professional and six clerical positions; repeals the authority for the Appropriations Committee to hire such staff as it deems necessary without annual Senate authorization; requires that staff members appointed to assist minority members of committees be treated equitably with respect to the fixing of salary rates, the assignment of facilities, and the accessibility of committee records; authorizes the Foreign Relations Committee, effective March 1, 1981, to expend, from the contingent fund of the Senate, not to exceed $25,000 each fiscal year for expenses incurred in the interchange and reception in the United States of prominent officials of foreign governments and intergovernmental organizations; and directs each committee to report an authorization resolution each year and to report a supplemental resolution for any additional funds, which may be required. S. Res. 281—Senate agreed to March 11, 1980. (VV)

Makes the following statutory changes necessitated by the adoption of S. Res. 281: provides for the preservation of, and transfers at the end of the 1980 investigative year, the funds which will become available to committees on January 2, 1981; repeals, effective February 28, 1981, the provisions of the Legislative Appropriation Act which establishes salary levels for certain committee staff positions and authorizes the Rules Committee to hire an additional staff member; and eliminates the $300 annual stationery allowance for all standing committees while preserving it for the Majority and Minority conference committees and officers of the Senate. S. 2018—Passed Senate March 11, 1980. (VV)

Contributions for legal expenses: Waives certain Standing Rules of the Senate to enable Members, officers, or employees of the Senate, and their spouses to accept contributions, subject to regulations, promulgated by the Select Committee on Ethics, in order to defray certain legal expenses directly resulting from their official duties. S. Res. 508—Senate agreed to September 4, 1980. (VV)

Per diem and subsistence allowance: Eliminates, with respect to reimbursement of travel expenses of Senators and Senate employees within the U.S., the present requirement that travel days be fractionalized and payments apportioned accordingly, thus permitting per diem and subsistence expenses to be made on the basis of actual expenses incurred, but not to exceed $50 per day. S. Res. 311—Senate agreed to January 25, 1980. (VV)

Public access to Senate records: Establishes, for the first time, a systematic program authorizing public access to nonsensitive and sensitive Senate records in the custody of the National Archives within 20 years and 50 years respectively. S. Res. 474—Senate agreed to December 1, 1980. (VV)

Select Committee on Presidential Campaign Activities records: Provides for the transfer of the permanent records of the Senate Select Committee on Presidential Campaign Activities to the National Archives, subject to such terms and conditions relating to their access and use as the Senate Rules Committee may prescribe; and provides for the disposal of the nonpermanent records of the Committee which were transferred to the Library of Congress subject to the direction of the Rules Committee. S. Res. 393—Senate agreed to April 1, 1980. (VV)

Senate Bicentennial Commemoration: Establishes a Senate Study Group on the Commemoration of the United States Senate Bicentenary to plan the commemoration of the 200th anniversary of the establishment of the United States Senate under the Constitution. S. Res. 381—Senate agreed to August 1, 1980. (VV).

Senate confirmation of Capitol Architect: Provides, effective with vacancies occurring on or after date of enactment, that Presidential appointments to the Office of Architect of the Capitol be confirmed by the Senate. S. 2760—Passed Senate November 24, 1980. (VV)

Senate Ethics Committee review of Ethics Code: Directs the Select Committee on Ethics to undertake a comprehensive review of the Senate Code of Official Conduct, and the provisions for its enforcement and implementation, and for investigation of allegations of improper conduct by Senators, officers, and employees of the Senate; and to submit a report of its findings to the Senate by February 1, 1981, together with its recommendations for changes in the Code and such provisions. S. Res. 109—Senate agreed to February 1, 1980. (VV)

Senate rules codification: Reorganizes the Standing Rules of the Senate by reducing, without substantive change, the total number of Standing Rules by eight in order to bring together all like subject matter, in accordance with the procedure by which the Senate conducts its business; and contains one technical change in Rule XXXIII which allows members of the European Parliament Senate floor privileges. S. Res. 389—Senate agreed to March 25, 1980. (*62)

Senate sales: Authorizes the Secretary of the Senate to accept moneys from the Sergeant at Arms for the sale of certain Senate equipment (particularly FM receiver units for floor proceedings and voice page devices) and deposit these moneys in the appropriation account from which that equipment was purchased, in order to allow him to replenish the inventory. S. 2225—Public Law 96-214, approved March 24, 1980. (VV)

Senators' official expenses: Defines "official expenses" for purposes of the ten percent account and the home office expense accounts of Senators as "those ordinary and necessary business expenses incurred by a Senator and his staff in the discharge of their official duties"; spells out nine specific kinds of expenditures for which reimbursements or payments from the contingent fund of the Senate shall not be made; and allows continuance of the practice of making gifts of flags which have flown over the Capitol and copies of the book "We the People". S. Res. 294—Senate agreed to April 29, 1980. (VV)

Authorizes the Secretary of the Senate, effective October 1, 1979, to make payment out of a Senator's official expense account to a Senator or a member of his staff as soon as an expense has been incurred and invoices, bills, or statements for those expenses have been received, thereby eliminating the need for a Senator to initially make the payment out of his or her personal funds before being reimbursed. S. Res. 305—Senate agreed to January 25, 1980. (VV)

Broadens the range of delivery services which are reimbursable from a Senator's official expense account by permitting Senators and their staffs to select the most effective, economical, and reasonable means of transmitting official business matters, including the use of first class postage stamps if warranted. S. Res. 319—Senate agreed to January 25, 1980. (VV)

SOCIAL SERVICES—WELFARE

Child adoption assistance and welfare—Social Services: Amends the Social Security Act to make improvements in the child welfare and social services programs, to strengthen and improve the program of Federal support for foster care of needy and dependent children, to establish a program of Federal support, and to encourage adoption of children with special needs;

Subsidized adoptions: Provides for an extension of the current foster care program for children from families eligible for AFDC with permanently authorized Federal matching funds, and requires States to establish a program of adoption assistance for "special needs" children who are eligible for SSI, AFDC, or AFDC foster care; provides that Federal matching would be permanent and based on the medicaid formula; limits adoption assistance to an amount not exceeding the foster care maintenance payment that would be paid if the child were in a foster family home; provides that adoption assistance payments would cease (1) after the child has attained the age of 18 (21 in the case of a child with a mental or physical handicap), or (2) after State determination that the parents are no longer supporting, or are no longer legally responsible for supporting, the child; provides adoption eligibility for SSI recipients; provides for adoption assistance without a means test; provides full medicaid coverage for children receiving adoption assistance payments;

Foster care grants: Provides for a ceiling on the State allocation Federal matching funds for AFDC foster care equal to (1) 133⅓ percent of the State's fiscal 1978 Federal foster care funds for fiscal 1981, increased by ten percent each year thereafter; (2) the State's share of $100 million relative to its population under 18; or (3) for States whose AFDC foster care caseload in 1978 was below the national average, the amount the State received in 1978 increased by the State's percentage increase in AFDC foster care caseload since 1978 (not to exceed ten percent)

further increased by 33⅓ percent in fiscal 1981 and ten percent per year thereafter; provides that ceilings would not take effect if child welfare services are less than $163.5 million for fiscal 1981, $220 million for 1982, and $266 million for 1983 and 1984; broadens the provision for Federal funding of foster care maintenance payments to cover children in small public as well as private facilities; requires States to establish goals as to the maximum number of children who will remain in foster care after more than 24 months and to try to prevent the removal of a child from his or her home or to make it possible for the child to be returned home; adjusts the base year for foster care maintenance payment allotments to States to include otherwise eligible children who were placed in homes with relatives;

Child welfare service grants: Sets at 75 percent the Federal matching rate for the costs of State child welfare services programs; prohibits Federal grants to a State for child welfare services above the State's share of $141 million unless the State institutes tracking and information, individual case review systems, services to reunite families or place children in adoption, and procedures to protect the rights of natural parents, children, and foster parents; modifies the child welfare services program so that it will operate on a "forward funding" basis to increase State planning ability; authorizes the Secretary of HHS; to deal directly with Indian government entities in making child welfare service grants;

Social services (title XX) changes: Indexes the permanent ceiling on Federal matching for State social services programs under which it will rise from the current $2.5 billion annually to $2.7 billion in fiscal 1980, $2.9 billion in 1981, and thereafter in annual increments of $100 million to a level of $3.3 billion in 1985; requires reallocation of any unused funds in fiscal 1980; extends the authority making $200 million of the funds provided to States in fiscal 1980 and 1981 available for child care services, with no State matching requirement; establishes for fiscal 1980 and 1981 a limit on the amount of Federal matching funds available to States for social services training which would be equal to four percent of a State's 1980 allotment under the title XX funding ceiling or the actual amount spent by the State in fiscal 1979, whichever is higher and for fiscal 1982 and thereafter authorizes reimbursement to States only for those expenditures included in an HHS approved State training plan; permits a State to accept restricted private matching funds for training purposes in fiscal 1980 and 1981; requires HHS to monitor the State's use of these funds and prohibits their use for training in proprietary facilities; exempts certain States from the proposed cap on social services training programs, provided they had already appropriated funds for such programs prior to October 1, 1979, and authorizes therefor not to exceed $6 million; permits States to use either a one, two, or three year title XX program period, which may coincide with the local government fiscal year; provides a special 100 percent tax credit for employers with respect to wages paid to workers whose wages are reimbursed in whole or in part by funds available for grants to hire welfare recipients as child care workers;

Emergency shelter for adults: Allows funds to be used for providing emergency shelter to an adult in danger of physical or mental injury, neglect, maltreatment, or exploitation for no more than 30 days in any six-month period;

Social services funding for territories: Establishes a separate title XX entitlement amount for Puerto Rico at $15 million, Guam and the Virgin Islands at $500,000, and the Northern Marianas at $100,000;

Permanent extension of certain expired provisions: makes permanent retroactivity to April 1, 1980, the authority to provide child support enforcement services for non-welfare families; extends and makes permanent, retroactive to April 1, 1980, the authority to use title XX funds to reimburse the costs of hiring welfare recipients in child care jobs; increases the maximum per recipient annual combined tax credit and title XX reimbursement from $5,000 to $6,000 and makes it available for part-time as well as full-time employment in child care jobs; reinstates and makes permanent, retroactive to April 1, 1980, temporary provisions for certain services to alcoholics and drug addicts;

Other Social Security Act provisions: Requires States to disregard the first $70 earned monthly by an individual plus 40 percent of additional earnings in determining the need for AFDC payments; deducts child care expenses, subject to limitations prescribed by the Secretary, before computing an individual's earned income; prohibits disregard of any earned income which the recipient has not reported to the State agency; permits States, in computing the shelter cost component of the AFDC grant, to assume in effect that an ineligible relative in the AFDC household bears his proportionate share of the shelter expense; extends for an additional three years the special referral and services program for disabled children who are receiving SSI benefits; extends permanently Federal matching for costs of cash assistance, administration, and social services provided under the AFDC program and the program of aid to the aged, blind, and disabled for Puerto Rico, Guam, and the Virgin Islands; limits, effective October 1, 1981, the period of retroactivity for submission of State claims under the welfare, medicaid, and social services programs to a full two years under the various titles of the Act; permits States to be reimbursed for claims, regardless of how old, submitted prior to enactment; directs States to submit claims for expenditures made prior to October 1, 1979, by January 1, 1981; authorizes from Federal funds an incentive payment to States of 15 percent of child support payments collected on behalf of other States; waives the statutory rule requiring SSI/AFDC recipients to switch to the new higher pension plan established under the Veterans' and Survivors' Improvement Act (Public Law 95–588), if such a switch would result in VA pensioners losing eligibility for medicaid. H.R. 3434—Public Law 96–272, approved June 17, 1980. (VV)

Child Nutrition programs: Extends all nonpermanently authorized child nutrition programs, including those expiring at the end of fiscal 1980, through fiscal 1984 and contains provisions designed to improve the effectiveness and operation of the programs; permits up to six States, on a pilot basis, to consolidate and reorganize certain food programs administered by the Department of Agriculture for the benefit of needy persons; eliminates, effective October 1, 1983, the option of States to transfer the responsibility of administering summer child feeding programs and day care feeding programs to the Department of Agriculture; reduces the general cash reimbursement rate for all categories of school lunches (free, reduced price, and paid) by 2½ cents, except in school districts where 60 percent or more of the lunches served were served free or at a reduced-price during the second preceding school year; allows States to refuse to accept more than 20 percent of offered commodities and replace them with other commodities if available; prohibits the Secretary from making a three-cent reimbursement for commodities for school breakfast in the 1980–1981 school year; reduces the rate of commodity assistance for the school lunch program by two cents; provides that commodity entitlements under the school lunch and child food programs shall be based on the number of meals served in each State during the prior school year; removes the offered versus served option in the school lunch program in junior high and middle schools;

Authorizes the Secretary to require, as a condition of eligibility for free and reduced price school meals, a listing of each household member's social security numbers on program applications; eliminates the current statutory requirement that verification of a household's income be performed only if school officials are notified that a household has income which exceeds the permitted eligibility levels; clarifies Congressional intent regarding administration of the Act so as to protect migrant farm workers from serious abuses by labor crew leaders and farm labor contractors; requires the Secretary to conduct a pilot study to verify the accuracy of information furnished by households receiving free and reduced price meals under the School Lunch Program; clarifies the means for implementing the eligibility guidelines for free and reduced price meals for school children by offering school districts three options to deal with guidelines and distribution of applications;

Changes the eligibility standards for free and reduced-price school meals to 125 percent of the poverty level plus a standard deduction and 185 percent of the poverty level plus a standard deduction, respectively; lowers the income poverty guideline used in the child nutrition programs; removes the incentive for schools to offer reduced-price lunches at less than 20 cents per lunch; provides for adjustments in school lunch and breakfast reimbursement rates on an annual rather than semiannual basis; excludes Job Corps Centers funded by the Department of Labor from participation in the school lunch and breakfast programs; limits the eligibility of certain private nonprofit institutions in the summer program that acquire meals from vendors to those that daily serve no more than 2,000 children at no more than 20 sites; limits meal service in the summer program to two meals daily, except in camps and service institutions serving migrant children;

Establishes a five-year loan and reserve program whereby embargoed grain would be sold to alcohol producers by the Commodity Credit Corporation for alcohol fuel production;

Extends the commodity distribution program through fiscal 1984; provides for adjustments in the child care program reimbursement rates for supplements on an annual rather than semiannual basis; reduces the reimbursement rate for supplements served in the child care food program by three cents and reduces equipment assistance from $6 million to $4 million annually; directs the Secretary to conduct two-year pilot projects whereby 50 school districts would receive cash assistance in lieu of commodities for the school lunch program and to submit a report on the impact and effect of such projects; provides for a two-House congressional veto of child nutrition regulations; requires that whole milk be offered in the school lunch program if unflavored, fluid lowfat milk, skim milk, or buttermilk is required by regulation; authorizes the Secretary to withhold funds from any State improperly administering child feeding programs; reduces and freezes the reimbursement rate for milk served in the special milk program to paying children in schools, institutions, or camps that participate in one of the other child nutrition programs to five cents per half pint; provides, beginning with the 1981–82 school year, especially needy funding for the breakfast program for all

schools in a school district if (a) during the second most recent preceding school year, 40 percent or more of the lunches served in the district were served free at a reduced price; (b) the regular school breakfast reimbursement is inadequate to cover the costs of the program and (c) all of the schools in the district that provide 25 percent or more of their lunches free or at reduced price participate in the breakfast program; reduces the fiscal 1981 authorization for food service equipment assistance to $15 million and authorizes food service equipment assistance for 1982, 1983, and subsequent years at $30 million, $35 million, and $40 million, respectively; extends the food service equipment reserve through fiscal 1984;

Extends the authorization for the WIC program through fiscal 1984; improves the opportunities for migrant farmworkers to participate in the WIC program; Removes the authority for the Secretary to make noncommercially available products, such as infant formula, available to WIC program participants; provides local communities and agencies with an option to abstain from the supplemental food program;

Limits fiscal 1981 funding for the nutrition education and training program to $15 million and extends it through fiscal 1984;

Changes from August 15 to August 1 the date by which the Secretary is required to announce any set-aside of cropland under the wheat program; increases the loan rates of the farmer held reserve from $2.50 to $3.30 a bushel for wheat and from $2.10 to $2.40 a bushel for corn; increase the regular loan rate from $2.50 to $3.00 for wheat, from $2.10 to $2.25 for corn, and from $4.50 to $5.28 for soybeans; establishes a four million metric ton food security reserve to be used as a backup to the P.L. 480 program; changes from August 15 and November 15 to August 1 and November 1, respectively, the dates; whereby the Secretary is required to announce the cropland set aside for the wheat and feed grain programs; and authorizes the Department of Agriculture to test whether surplus Federal commodities might be provided, on a small scale, to supplement the privately donated foods already being packaged and distributed by food banks. H.R. 7664—Passed House July 21, 1980; Passed Senate amended July 25, 1980; In conference. (VV)

Disability insurance: Amends title II of the Social Security Act to pr ·ide better work incentives and improve accountability in the disability insurance programs;

Disability insurance: Limits total future disability family benefits to 85 percent of the worker's average indexed monthly earnings or 150 percent of the worker's primary insurance amount, whichever is lower effective only with respect to individuals who first became entitled to benefits on or after July 1, 1980; and requires a report to Congress, by January 1, 1985, on the effect of the limitation on benefits; changes the number of years (which is presently five years no matter what the age of the recipient) that may be excluded in calculating past earnings so that all workers are allowed to exclude about the same percentage of years of low or no earnings; allows a maximum of three additional years to be included if a child (of a worker or his or her spouse) under age three lives in the same household substantially throughout each year and the disabled worker did not engage in any employment each year; eliminates the requirement that persons becoming disabled again must undergo another 24-month waiting period to become eligible for medicare coverage; provides that if a disabled individual were initially on the cash benefit rolls for a period of less than 24 months, the months during which he or she received cash benefits would count towards their qualification for medicare coverage if a subsequent disability occurred within those time periods; extends medicare coverage for an additional 36 months after cash benefits cease for a worker who is engaging in a substantial gainful activity but has not medically recovered;

Supplemental security income (SSI): Provides that disabled individuals who lose their eligibility for regular SSI benefits because of engaging in a substantial gainful activity would become eligible for a special benefit status which would entitle him or her to cash benefits equivalent to those under the regular SSI program; terminates, for medicaid and social services purposes, the special benefit status when an individual's monthly earnings exceed the amount which would cause the cash benefits to be reduced to zero ($481 at the present time) unless the Secretary determines otherwise; establishes a pilot program whereby the Secretary of HHS would pay each State 75 percent of the costs associated with an approved plan to provide medical and social services to certain severely handicapped persons whose earnings exceed the substantial gainful activity limits and who are not receiving SSI, special benefits, or medicaid; authorizes therefor $6 million each year for fiscal 1982 through 1984 to be allocated among States in proportion to the number of disabled SSI recipients aged 18 to 65; and requires the Secretary to submit a report thereon by October 1, 1983;

Title II and Title XVI Disability Programs: Provides that disability benefits will not be terminated due to medical recovery if the beneficiary is participating in a vocational rehabilitation program which will increase the likelihood of permanent removal from the disability rolls; permits the deduction of impairment-related work and medical expenses paid by the individual;

Extends to 24 months the present nine-month trial work period under the DI and SSI programs and provides that in the last twelve months of this period the individual will not receive cash benefits, but could automatically be reinstated to active benefit status if a work attempt fails;

Requires that disability determinations be made by State agencies according to guidelines and regulations issued by the Secretary; requires the Secretary, upon a finding that a State agency is substantially failing to make disability determinations consistent with the regulations, to terminate State administration not earlier than 180 days following this finding and to make the determinations himself; allows a State to terminate its administration after giving the Secretary 180 days notice; reinstitutes a review procedure used by the Social Security Administration until 1972 under which most State disability allowances were reviewed prior to the payment of benefits; provides for preadjudicative Federal review of at least 15 percent of allowances and continuances in FY 1981, 35 percent in 1982, and 65 percent thereafter; mandates, unless there has been a finding that an individual's disability is permanent, a review of each disability case at least once every three years to determine continuing eligibility;

Aid to families with dependent children (AFDC) and child support programs: Requires AFDC recipients, as a condition of continuing eligibility for AFDC, to register for, and participate in, employment search activities, as a part of the WIN program; limits an individual's job search period to eight weeks in one year; requires timely reimbursement of any individual's employment search expenses; requires the provision of social and supportive services as necessary to enable the individual actively to find employment, and for periods thereafter, as necessary to enable him to retain employment; allows States to match the Federal share for social and supportive services with in kind goods and services; eliminates the requirement for a 60-day counseling period before assistance can be terminated; authorizes the Secretaries of Labor and HEW to establish the period of time during which an individual will continue to be ineligible for assistance in the case of a refusal without good cause to participate in a WIN program; clarifies the treatment of earned income derived from public service employment;

Modifies current law safeguards, which prevent disclosure of the name or address of AFDC applicants or recipients to any committee or legislative body, to exempt any governmental agency (including any legislative body) authorized by law to conduct an audit or similar activity in connection with administration; makes similar changes with regard to audits under title XX of the Social Security Act;

Allows Federal matching for administrative expenses of the IV–D program, incurred before January 1, 1980, which would cover expenditures for administrative or support personnel;

Extends IRS's collection responsibilities to non-AFDC child support enforcement cases, subject to the same certification and other requirements now applicable to families receiving AFDC;

Increases from 75 to 90 percent the rate of Federal matching for the costs of developing and implementing computerized information system in the management of State child support programs, but retains the 75 percent rate for the cost of operating the systems; requires the Office of Child Support Enforcement on a continuing basis to provide technical assistance to the States and to approve the State system as a condition of Federal matching; requires review of the State systems; increases from 50 to 90 percent the rate of Federal matching for the costs of developing and implementing computerized information systems in the management of State AFDC programs but retains the 50 percent rate for their operation, provided the system meets specified requirements; prohibits advance payment of the Federal share of State administrative expenses for a calendar quarter unless the State has submitted a complete report of the amount of child support collected and disbursed for the preceding calendar quarter; allows HEW to reduce the amount of the payments to the State by the Federal share of child support collections made but not reported by the State; provides authority for the States to have access to earnings information in records maintained by the Social Security Administration and State employment security agencies for purposes of the child support program; authorizes the Departments of Labor and HEW to establish necessary safeguards against improper disclosure of the information;

Amendments of the Social Security Act: Provides that an individual's disability entitlement under title II shall be considered as total so that if its payment is delayed and results in higher payment under title XVI, the adjustment made in the case of any individual would be the net difference in total payment;

Extends to April 1, 1981, the expiration date of the National Commission on Social Security and the terms of its members; requires that FICA deposits from State and local governments be due 30 days after the end of each month; includes the amount of any employer payment of the employee share of social security taxes (FICA) in the employee's taxable income for purposes of social security taxation except for domestics, small businesses, State and local governments, and nonprofit organizations; requires an alien to reside in the U.S. for three years before becoming eligible for SSI; makes an affidavit

sponsoring an alien an enforceable agreement; authorizes $2 million annually to the Social Security Administration for the purpose of participating in an HHS demonstration project to determine how best to provide services needed by the terminally ill; and allows demonstration projects by the Social Security Administration to test ways to stimulate a return to work by disability beneficiaries as well as other areas of the DI program. H.R. 3236—Public Law 96-265, approved June 9, 1980. (*27)

Disabled children — Unemployment compensation: Extends for an additional three years the current program of Federal payments to States for costs incurred in carrying out a State plan of preventive services, referral, and case management for disabled children receiving Social Security Income (SSI) benefits and amending the Federal-State Extended Unemployment Compensation Act of 1970;

Amends title XVI of the Social Security Act to extend until October 1, 1982, the program of Federal payments to States for costs incurred in carrying out a State plan which requires referral by the Social Security Administration of disabled children under 16 who receive SSI benefits to a State agency which is responsible for counseling disabled children and their families, for establishing an individual service plan for each child, and for monitoring the program to assure adherence to service plans;

Unemployment Compensation Provisions: Amends the Federal-State Extended Unemployment Compensation Act of 1970 to eliminate the "national trigger" which makes all States eligible for the extended benefits program whenever the national insured unemployment rate reaches 4.5 percent; prohibits matching payments to a State for extended benefits payable to the first week after an individual exhausts regular unemployment benefits; allows States additional flexibility to come into the extended benefits program at any rate of insured unemployment which is five percent or higher;

Amends the Internal Revenue Code of 1954 to provide for a reduction in unemployment benefits for recipients who also receive pension payments, retirement pay, annuities, or other similar periodic payments, but limits such reduction to the proportion of the payments attributable to the base period of the individual or to an employer chargeable under State law, and provides that States may limit the amount of any such reduction after taking into account contributions made by the individual for the pension payment;

Extends from 90 days to one year the minimum length of Federal service generally required to qualify ex-servicemen for Federally-funded unemployment compensation payments; and

Establishes a Federal Employees Compensation Account in the Unemployment Trust Fund as a revolving account with each Federal agency required to reimburse the account out of its own appropriation for the actual amount of the unemployment benefits which have been paid to its employees and former employees. H.R. 4612—Passed House September 27, 1979; Passed Senate amended March 4, 1980; In conference. (*54)

Domestic violence prevention—National Service Commission—Parental kidnapping: Authorizes $15 million for fiscal 1981, $20 million for 1982, and $30 million for 1983 for State and local programs and projects providing emergency shelter and related services to victims of domestic violence and their dependents, for programs and projects to prevent incidents of domestic violence, and for training and technical assistance programs; authorizes two different types of domestic violence grants from the Secretary of Health and Human Services (HHS): Federal grants to States and direct Federal grants to local programs and projects; restricts grants to any local program to $50,000 and prohibits funding of any local program for more than four years; specifies State grant application requirements which are necessary for approval; provides that ten percent of the total amount appropriated be distributed to States for developing and implementing the State plan and for administrative costs; requires the Secretary to allot funds on the basis of population and to reallot excess grant and supplemental grant funds if a State does not have an approved plan; establishes in the Office of the Secretary an identifiable administrative unit to serve as the National Center headed by a Director appointed by the Secretary; requires the annual submission of State and national reports; allows the Secretary and the Comptroller General access to information under confidentiality provisions for purposes of audit and examination of grants or contracts; requires the Director to establish and operate an information and resource clearinghouse for matters dealing with domestic violence and to develop a public media campaign to increase public awareness of the problem; requires the Secretary to apply, from funds otherwise available, adequate monies for research activities and demonstration projects closely associated with the provision of shelter and other assistance to victims of domestic violence and their dependents; requires the Secretary to evaluate and report to Congress on the effectiveness of the programs operated by the National Center; and establishes a Federal Interagency Council to coordinate Federal domestic violence programs and promote the use of volunteers serving under the Domestic Volunteer Service Act of 1973 in domestic violence programs;

National Service Commission: Establishes a 25-member Presidential Commission on National Service to study the need for and desirability and feasibility of establishing a national service program to meet a broad range of human and societal needs and to submit a report thereon within 15 months of enactment; provides for followup activities after the Commission's report is submitted, including the setting of timetables and the requirement that the President take steps to ascertain how each affected department or agency reviews the report; and authorizes therefor $750,000 each for fiscal 1981 and 1982;

Parental kidnapping: States that the purposes of this act are to: (1) promote cooperation between State courts so that a determination of custody and visitation is rendered in the State which can best decide in the interest of the child; (2) promote and expand exchange of information and mutual assistance between States concerned with the same child; (3) facilitate enforcement of custody and visitation decrees of sister States; (4) discourage continuing interstate controversies over child custody; (5) avoid jurisdictional competition between State courts in matters of child custody and visitation; and (6) deter interstate abductions and other unilateral removals of children; requires State courts to enforce, and not modify the custody and visitation decrees of the States that have adopted the jurisdictional guidelines of the Uniform Child Custody Jurisdiction Act;

Allows States to enter into agreements with the Secretary of HHS for use of the Federal Parent Locator Service in civil or criminal cases arising under Federal law; limits access to this service to courts and public officials responsible for making or enforcing child custody determinations or prosecuting cases under criminal child snatching laws; provides that a reasonable fee may be assessed for processing location requests; makes the privacy protections in current child support enforcement law applicable to child custody and child abduction cases;

Adds a new section 1203 to title 18 U.S.C., making it a Federal misdemeanor for a parent, relative, or his or her agent to restrain or conceal a child in violation of a custody or visitation decree entitled to enforcement under the full faith and credit section of the bill; provides that restraint of a child in violation of the statute would be punishable fine of up to $10,000 and/or up to six months imprisonment; by a provides that if restraint continues for more than 30 days or concealment for more than seven days, the abductor-parent could be subject to prosecution; and provides that no Federal investigation may be commenced until 30 days after the offense has been reported to local enforcement authorities unless the child's physical or emotional safety is threatened or other appropriate circumstances demanding immediate action. H.R. 2977—Passed House December 12, 1979; Passed Senate amended September 4, 1980; House agreed to conference report October 1, 1980. (*391)

Food stamp program: Increases specific dollar limitations on the program from $6,188,600,000 to $9.491 billion for fiscal 1980 and from $6,235,900,000 to $9,739,276,000 for fiscal 1981; permits States the option to determine program eligibility and benefits by using income received in a previous month, following standards prescribed by the Secretary; requires that, if a State elects to use the retrospective accounting system, certain categories of households those experiencing sudden, significant loss of income, those with new members, those requiring immediate expedited services, and migrant farmworker households must file periodic reports of household circumstances, following standards prescribed by the Secretary;

Attributes the income (less a pro rata share) and the resources of an ineligible alien to the remaining household members in determining that household's eligibility benefits; expands State agencies' authority to verify, prior to certification, any household's size as well as any factor of eligibility related to "error-prone household profiles" approved by the Secretary for Statewide use; requires photo identification cards to be presented with authorization cards as a condition of receiving food stamps in areas where the Secretary (after consultation with the Inspector General) finds that it would be useful in protecting the program's integrity; requires food stamp certification personnel to report illegal aliens to the Immigration and Naturalization Service; permits women and children temporarily living in public or private nonprofit shelters for battered women to use food stamps to purchase meals at shelters; excludes any Federal, State, or local energy assistance payments from household income when calculating benefits;

Permits the Secretary to require forfeiture of any valuable property illegally furnished in exchange for food stamps or authorization cards; establishes an error rate sanction system, under which a State that fails to meet established standards would have its Federal share of State administrative costs reduced, or if no matching funds were due, be subject to a Federal claim for recovery;

Requires the disclosure of certain income tax information in the files of the Social Security Administration and certain wage and unemployment insurance information in the records of State unemployment insurance agencies to the Department of Agriculture and State food stamp agencies to the extent necessary to determine eligibility for food stamps;

Extends workfare pilot projects for a full year, until September 30, 1981; provides that cost-of-living adjustments in the thrifty food plan, the standard deduction, and the excess shelter expense deduction be made on an annual, instead of semiannual, basis; deletes the requirement that income pov-

erty guidelines be adjusted yearly to reflect the Consumer Price Index as of March of each year, over and above the regular OMB annual inflation adjustment; reduces the ceiling on assets for an eligible household other than a household consisting of two or more persons, one of whom is age 60 or over from $1,700 to $1,500; and substantially restricts the eligibility of students for participation in the program. S. 1309—Public Law 96-249, approved May 26, 1980. (213, *136)

Legal services corporation: Authorizes $321.3 million for fiscal 1981 and such sums as necessary for 1982 for activities of the Legal Services Corporation; allows the Corporation to provide assistance in 1981 and 1982 within one State for a demonstration program under which 65 percent of funds for any county with a population of 150,000 or less would be available for assistance provided by the private bar, and 15 percent of funds would be similarly available for counties with greater populations; prohibits the use of funds for providing any legal service which seeks to invalidate any law enacted by Congress on the subject of abortions; directs the Corporation to reduce assistance to any funding recipient it finds to be engaged in illegal lobbying, outreach community education, or client solicitation; directs the Corporation to encourage programs designed to provide voluntary legal services by private attorneys; and prohibits legal assistance for action under the National Environmental Policy Act, the Endangered Species Act, the Clean Air Act, or other laws or regulations dealing with environmental conditions unless an eligible client has a financial interest of not less than $500 in the action. S. 2337—Passed Senate June 13, 1980. (*209)

Social security benefits: Amends title II of the Social Security Act to allow the monthly exception to the social security retirement test in the year in which entitlement ends to child's benefits or to benefits as a wife or widow with a child in care unless entitlement ends by reason of death or entitlement to another type of social security benefit; provides for a separate application to establish medicare eligibility without inadvertently triggering the one "grace year" in which the monthly exception is permitted; allows the exclusion from income for retirement test purposes of self-employment income which is not based on services by the beneficiary subsequent to his initial month of entitlement; permits beneficiaries to qualify for a least one "grace year" in which the monthly exception applies after 1977 even though they may have used the monthly exception in 1977 or some prior year; provides for a reallocation of the 1980 and 1981 collections of the social security cash benefit tax into the Old-Age and Survivors Insurance Trust Fund and the Disability Insurance Trust Fund; assures that both funds are in a position to meet benefit obligations through the end of 1981; prohibits payment of social security disability benefits to convicted felons except as specifically provided for by a court of law during their participation in an approved rehabilitation program which is expected to result in their return to productive employment; provides that an individual may not be considered a full-time student for purposes of student benefits while he is incarcerated for a felony; and provides, in the case of an individual receiving wife's or widow's insurance benefits by reason of having a child in her care or in the case of an individual receiving child's or mother's/father's insurance benefits, that a monthly measure of excess earnings under the earnings test will be applied in the year in which the individual's entitlement to such benefits ends. H.R. 5295—Public Law 96-473, approved October 19, 1980. (VV)

TAXATION

Duty suspensions: Provides, retroactive to June 30, 1978, for permanent duty-free treatment of certain dyeing and tanning materials of vegetable origin; suspends, through June 30, 1981, the duty applicable to most-favored-nation (MFN) imports of wood excelsior and 2-methyl-4 chlorophenol (used in certain herbicides) and reduces the duty on imports of certain MFN ceramic insulators used in spark plugs to four percent; reinstates, retroactive to June 30, 1978, through June 30, 1984, the suspension of duty on MFN imports of certain forms of zinc; provides for permanent duty-free treatment of MFN imports of carillon and similar tuned bells (in sets containing more than 34 bells and for retroactive duty-free treatment of specific carillon bells already entered for the Universities of Wake Forest and Florida; reinstates, retroactive to June 30, 1980, through June 30, 1982, duty-free treatment for imports of a telescope and other articles for use in the Canada-France-Hawaii telescope project in Hawaii; reinstates retroactive to June 30, 1979, through June 30, 1982, the suspension of duty on MFN imports of synthetic rutile; provides retroactive to June 30, 1980, for permanent duty-free treatment of MFN imports of synthetic tantalum/columbium concentrates; suspends, from the date of enactment through June 30, 1982, the duty on MFN imports of unwrought alloys of cobalt; suspends, retroactive to June 30, 1979, through June 30, 1983, duties on MFN imports of certain bicycle parts; provides for duty free treatment of imported manganese ore imported after June 30, 1979, and on or before December 31, 1979, the date on which this duty suspension became permanent; amends the definition of "rubber" in the headnotes of the Tariff Schedules of the United States to preserve existing Customs Service practice relating to rubber classifications; permits a one-time duty-free entry of roof tiles from the People's Republic of China for use in the Chinese Cultural and Community Center in Philadelphia, Pennsylvania; provides for permanent duty-free treatment of MFN imports of field glasses, opera glasses, and prism binoculars; suspends, retroactive to June 30, 1981, through June 30, 1984, duties on MFN imports and the greater portion of non-MFN imports of crude feathers and downs; permits duty-free entry of a pipe organ and accompanying parts and accessories imported for Ohio Wesleyan University and of components for a pipe organ for St. Paul's Episcopal Church in Riverside, Connecticut; changes the definition of steel wire to exclude the "cut to length" products of cold finished steel which would be classified as bar, subject to a higher rate of duty; and clarifies the duties of the U.S. Customs Service at deepwater ports. H.R. 3122—Public Law 96-467, approved October 17, 1980. (vv)

Excise tax treatment on tread rubber and wine—tax treatment on sale of residence and entertainment expenses: Provides for a refund or credit on the manufacturer's excise tax on tread rubber if the rubber is: wasted in the recapping process, contained in a recapped tire which is adjusted under a warranty, or sold in conjunction with certain otherwise tax exempt sales; imposes the tread rubber excise tax on tires which are exported for recapping and subsequently imported into the U.S.; requires the Secretary of the Treasury, in limited circumstances, to extend from two to five years the time within which a taxpayer must purchase and use property as a principal residence for the purpose of deferring the payment of a capital gains tax on the sale of the former residence; permits tax returns or information obtained by a State agency to be inspected by or disclosed to State audit agencies only to the extent necessary in making an audit of the agency which obtained the tax returns or information; restores the excise tax treatment to wine used as an ingredient in blending distilled spirits and making cordials and brandies; allows Supplemental Security Insurance (SSI) payments to residents of certain publicly owned institutions which are not operated at public expense and clarifies the treatment of certain expenses included in the income of the recipient; and provides that the rules relating to the disallowance of certain expenses for entertainment, amusement, or recreation, which were enacted as part of the Revenue Act of 1978, will not apply in those situations where the recipient must include these expenses in gross income as compensation for services rendered as a prize or award. H.R. 3317—Passed House November 27, 1979; Passed Senate amended October 1, 1980. (VV)

Installment sales revision: Amends the rules for reporting gains under the installment method for sales of real property and casual sales of personal property to eliminate the 30 percent initial payment limitation, the requirement that an eligible deferment sale be for two or more payments, the $1,000 selling price requirement for nondealer sales of personal property, and the requirement that installment reporting automatically applies to a deferred payment sale unless the taxpayer elects otherwise; prescribes special rules for sales to certain related parties who also dispose of the property and for sales of depreciable property between spouses or certain 80 percent owned corporations and partnerships; provides that the receipt of like-kind property in connection with an installment sale will not accelerate recognition of gain; provides nonrecognition treatment for distributions of installment obligations received in connection with a 12-month corporate liquidation; permits the installment method reporting for sales for a contingent selling price; clarifies the treatment of gift cancellations of an installment obligation and of an installment obligations which is cancelled upon the death of the seller; makes clear that a third party guarantee (including a standby letter of credit) securing a deferred payment sale will not constitute payment to the seller; eliminates the potential for double taxation when a dealer changes from an accrual to the installment method of reporting; and provides that existing special disposition rules for transfers of installment obligations to a life insurance company will not apply if the company reports any remaining gain as taxable investment income when payments are received on the obligation. H.R. 6883—Public Law 96-471, approved October 19, 1980. (VV)

Leather industry tariffs: Disapproves the President's determination transmitted to the Congress on March 26, 1980, not to impose increased tariffs on imports of leather coats and jackets as recommended by the U.S. International Trade Commission. S. Con. Res. 108—Senate agreed to September 16, 1980. (VV)

Social security benefits taxation: States the sense of the Senate that the Social Security Advisory Council's reommendation that one-half of social security benefits should be subject to taxation would adversely affect social security recipients and undermine the confidence of American workers in the social security programs; that social security benefits are and should remain exempt from Federal taxation; and that the 96th Congress will not enact legislation to implement the Advisory Council's recommendation. S. Res. 432—Senate agreed to August 4, 1980. (VV)

Social security tax adjustments: Amends title II of the Social Security Act to provide, for two years only, a reallocation of

social security tax receipts from the Federal Disability Insurance Trust Fund to the Federal Old-Age and Survivors Insurance Fund (OASI) in order to maintain sufficient reserves in the OASI fund to pay benefits through the end of 1981. H.R. 7670—Public Law 96-403, approved October 9, 1980. (VV)

Tax treatment extensions: Extends, for 18 months, through June 30, 1982, the temporary interim relief granted to certain taxpayers, such as independent contractors, whereby they are permitted to treat a worker, such as a subcontractor, as a nonemployee for purposes of IRS withholding requirements; extends through December 31, 1983, the sunset dates for provisions enacted in 1976 that encourage the preservation of historic structures; provides a two-year extension of the special five-year depreciation rule for expenditures to rehabilitate low-income rental housing whereby expenditures made pursuant to a binding contract entered into before January 1, 1984, will qualify for the five-year depreciation rule even though the expenditures actually are made after December 31, 1983; extends the present four cents per gallon fuel tax exemption for qualified taxicab services for two years, through December 31, 1982; excludes from gross income scholarships received under Federal programs which require future Federal service by the recipient; extends the tax-exempt treatment of National Research Service Awards as scholarships or fellowships through 1981; revises current law with respect to deductions for charitable contributions of easements and other partial interests in real estate contributed for conservation to expand the types of partial interests which qualify to include the entire interest of the donor in real property other than the rights to subsurface minerals; and limits eligible contributions deductible to those contributed to a governmental unit, publicly supported charitable organization, or an entity controlled by one of these two kinds of organizations. H.R. 6975—Public Law 96- , approved 1980. (VV)

Technical corrections—targeted jobs credit: Contains technical, clerical, conforming, and clarifying amendments to provisions enacted by the Revenue Act of 1978, the Foreign Earned Income Act of 1978, the Black Lung Benefits Revenue Act, and the Energy Tax Act of 1978; and expands eligibility under the targeted jobs tax credit for hiring youths under a qualified cooperative education program to include 19-year-olds. H.R. 2797—Public Law 96-222, approved April 1, 1980. (VV)

TRADE

Customs valuation agreement: Approves (1) the Protocol to the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade, which waives, with respect to third world countries, certain tests required for valuing items in order to determine customs duties, that the President, under authority of section 102 of the Trade Act of 1974, entered into and, on January 21, 1980, notified Congress that he intended to sign, and (2) the unamendable implementing legislation submitted, under the same authority, on August 1, 1980, for Congressional approval or disapproval; and makes technical amendments to the Tariff Schedules of the U.S. relating to the classification of certain chemicals. H.R. 7942—Public Law 96-490, approved December 2, 1980. (VV)

Export trading companies: Requires the Secretary of Commerce to promote and encourage formation and operation of export trading companies by providing information and advance to interested persons and by facilitating contact between producers and firms offering export trade services;

Authorizes banking organizations to invest not more than five percent of their consolidated capital and surplus in export trading companies, and requires 60 days advance notification of the appropriate Federal banking agency before making an additional investment;

Requires the appropriate Federal banking agency, in disapproving or placing conditions on investments, to consider the resources, competitive situation, and future prospects of the banking organization and export trading company concerned in any application, and the effect on U.S. competitiveness in world markets; provides an opportunity to appeal orders of Federal banking agencies to the Federal Court of Appeals and requires cases of procedural and substantive error to be remanded to the agency;

Directs the Economic Development Administration and the Small Business Administration to encourage exporting by small and medium-size businesses or agricultural concerns and authorizes therefor $20 million for each of the next five fiscal years;

Directs the Export-Import Bank to establish, subject to limits in annual appropriation Acts, a guarantee program for commercial loans secured by export accounts receivable or inventories when its Board finds that inadequate private financing exists for creditworthy exporters;

Authorizes the Secretary to make grants to subsidize the employment of export managers by small businesses which have not previously been importers in substantial amounts; provides that such grants may not exceed the lesser of 50 percent of the salary of a full-time export manager for a period of one year, or $40,000, and sets forth eligibility criteria for such grants;

Directs the Secretary to determine the feasibility of this approach to export promotion in each of the Department of Commerce regions in relation to products and services which have export value; authorizes not to exceed $2 million for fiscal 1981 through 1983 to carry out this program;

Directs the Secretary to develop and submit to Congress, prior to October 1, 1982, a plan for evaluating the cost-effectiveness of the export promotion program, and make recommendations for its continuation, expansion and/or improvement;

Revises the Webb-Pomerene Act (Export Trade Act of 1918) to make its provisions explicitly applicable to the exportation of services, and provides a certification procedure enabling export trade associations and trading companies to receive antitrust clearance for specified export trade activities;

Transfers administration of the Act from the Federal Trade Commission to the Department of Commerce, and creates within the Department of Commerce an office to promote the formation of export trade associations and trading companies;

Requires that antitrust immunity be made contingent upon certification by the Department of Commerce, after consultation with the Justice Department and the Federal Trade Commission, and in conformance with existing standards of antitrust law;

Requires that export trade not constitute trade or commerce in the licensing of patents, technology, trademarks or know-how, and that export activities must serve to preserve or promote export trade;

Provides for the establishment of a task force to evaluate the effectiveness of the Webb-Pomerene Act in increasing U.S. imports and make recommendations regarding its future to the President; and

Requires that fiscal 1980 funds made available to the Senate shall not exceed 90 percent of funds made available in fiscal 1979. S. 2718—Passed Senate September 3, 1980. (*386)

International Trade Commission; customs service; and U.S. trade representative authorization: Authorizes $16.981 million to the U.S. International Trade Commission for fiscal 1981; prohibits the use of funds to initiate special studies, investigations, or reports requested by any executive branch agency unless it is reimbursed;

Authorizes $477 million to the U.S. Customs Service for fiscal 1981; prohibits the use of funds to implement any procedure that reduces the ten-day deferment for collection of customs duties; authorizes the President to enter into agreements, to the extent feasible and appropriate, with other countries to provide for the establishment of pre-clearance immigration and customs facilities in foreign airports and transportation facilities frequently used by persons entering the U.S.; and

Authorizes such sums as may be necessary to the Office of the U.S. Trade Representative (USTR) for fiscal 1981 through 1983; authorizes the USTR to expend funds for travel expenses without regard to standardized Government travel regulation and per diem allowances; delegate and redelegate functions, powers, and duties to such officers and employees as he or she may designate; accept, hold, administer, and utilize gifts, devices, bequests of property (both real and personal), and money, for the purpose of than two automobiles for use by the USTR acquire by purchase or exchange not more than two automobiles for use by the USTR delegation in Geneva and elsewhere, as required, at a cost of not more than $6,500 for each car; and issue rules and regulations as may be necessary to carry out his or her functions, powers, and duties. S. 2697—Passed Senate May 28, 1980. (VV)

Shipper's export declarations: Permanently exempts Shipper's Export Declarations (SED's) from public disclosure under the Freedom of Information Act but assures their continued multi-agency use; provides standardized export data submissions and disclosure requirements for the U.S. Customs Service; requires shippers to attach private commercial bills of lading, or equivalent commercial documents, to the Outward Foreign Manifest (OFM) which Customs requires filed prior to a carrier departure with a specified cargo, or to complete a new OFM and submit the required information to Customs at the port of exit; lists six items of information that are required to be submitted to Customs on either the OFM or on attached bill or documents and permits disclosure of this information; codifies existing Customs regulations which prohibit public disclosure of a shipper's name on a manifest if the shipper has filed a written application requesting confidential treatment and requires that such applications be submitted every two years to be effective; requires only the disclosure of the general character of the cargo rather than a description of the cargo itself; authorizes the Secretary to withhold export data collected pursuant to this bill if he determines on a shipment-by-shipment basis that disclosure would pose an imminent and serious threat to the vessel and its cargo or would endanger the safety of the crew abroad; and provides the trade press with expedited access to the OFM and attached documents at the ports. H.R. 6842—Public Law 96-275, approved June 17, 1980. (VV)

Small business export expansion: Amends the Small Business Act by directing SBA to increase its support for small business exporters; expands SBA's existing authority to transfer certain eligibility and credit decisions with respect to guaranteed loans to a participating commercial financial institution; empowers SBA to make or guarantee, for up to 18 months, a revolving line of credit to enable small businesses to develop foreign markets and for preexport financing; permits a total of $750,000 in loans to be outstanding and committed to any one borrower for export purposes only; establishes an Office of International Trade within SBA and specifies its functions which include the

coordination of SBA export promotion efforts with those of other Federal agencies; directs the Secretary of Commerce, in consultation with the Administrator of SBA, the President of the Export-Import Bank, the President of the Overseas Private Investment Corporation, and the Director of the Internal Revenue Service, to establish two one-stop export promotion centers in each of two district offices of the International Trade Administration of the Department of Commerce which are located in metropolitan areas where district offices of the SBA and IRS exist to determine if locating all of these agencies under one roof will substantially assist small businesses wanting to be involved in overseas trade; authorizes the Secretary of Commerce to make grants of not to exceed $150,000 annually for three years to each qualified applicant to encourage the development and implementation of a small business international marketing program; specifies the information required to be submitted in an application; requires that each small business international marketing program have a full-time director and a nine-member advisory board; requires that the applicant match the Federal share on a one for one basis; provides for the establishment of at least one program in each region of the Department and authorizes therefor $1.5 million each for fiscal 1981 through 1983; directs the Secretary, through the International Trade Administration, to maintain a central clearinghouse to provide for the exchange of information between programs, and other interested concerns; creates a National Export Council, to replace the current President's Export Council which will serve as a national advisory body on matters relating to U.S. export trade, and provide a forum for discussion on current and emerging problems and issues in the field of export promotion and development; requires submission to the President and Congress of an annual report on the Council's activities by March 31; and authorizes the Secretary of Commerce to appoint commercial ministers, counselors, and attachés as employees of the Department and to assign these personnel to service abroad with the same diplomatic privileges and immunities enjoyed by Foreign Service personnel of comparable rank. S. 2620—Passed Senate September 3, 1980. NOTE: (Identical provisions are contained in H.R. 5612, which became Public Law 96-481.) (VV)

United States Tourism Policy: Establishes a national tourism policy and the principal mechanisms for coordinating and implementing that policy; creates a cabinet-level Policy Council to deal with issues of duplication, contradiction, and lack of coordination among Federal agencies having tourism and tourism-related programs and policies; and creates a Federally-chartered, nonprofit corporation as an implementing mechanism for the national policy to (1) develop and administer a comprehensive program to stimulate and encourage travel to the United States, (2) monitor Federal programs for compliance with the national tourism policy, (3) act as the tourism industry's advocate within the several government agencies impacting tourism, and (4) develop and administer programs to assist the industry and consumer. S. 1097—Passed Senate May 14, 1979; Passed House amended July 1, 1980; In conference. (VV)

United States Travel Service: Authorizes, through fiscal 1981, $8 million to the United States Travel Service (USTS), pending enactment of S. 1097, the National Tourism Policy Act, to enable the agency to continue its existing programs to encourage foreign tourism to the U.S.; and prohibits the Secretary of Commerce from reducing the number of employees or the level of obligations for USTS below the fiscal 1979 level. S. 2248—Passed Senate May 22, 1980. (VV)

TRANSPORTATION AND COMMUNICATIONS

Airport and airway development: Eliminates large and medium hub airports (those which annually enplane over 1.4 million and 700,000 passengers respectively) from the Airport Development Aid Program (ADAP), with the 40 largest airports to become ineligible for the program after September 30, 1981, and the next 32 largest airports to become ineligible after September 30, 1982; provides that the airline passenger tax shall remain at eight percent, or at a level adequate to fully fund the ADAP program for all enplanements at airports participating in ADAP but reduces the tax to two percent at airports which voluntarily elect to defederalize; authorizes $825 million in grants for airport planning and development for fiscal 1981; expands the Federal Aviation Administration's discretionary fund program, which calls for minimum five-year funding commitments, to small carrier and general aviation airports to assure that small communities, which are often unable to generate adequate local sources of revenue for major construction or renovation projects at municipal airports, will have access to Federal funds so that multi-year projects can be planned and built; combines the grant and planning programs for airport development at air carrier, air commuter service, reliever, and general aviation airports into a single grant program for airport development planning in order to give sponsors access to larger funding pools and allow funds to be used to meet a wide range of priority needs; permits the Secretary to continue the current mechanism for apportioning Federal assistance among the smaller airports in the State of Alaska; eliminates funding eligibility for those airports which do not require Federal assistance; requires sponsors of Federally-assisted commercial airports that are part of an air traffic hub to document to the Comptroller, no later than 90 days after the expiration of any fiscal year in which assistance was received, that adequate funding was not available through any other source; requires the Comptroller to transmit on an annual basis to Congress and the Secretary, a copy of such documentation along with a report containing comments and recommendations; permits any airport, notwithstanding an existing contract that restricts the airport sponsors ability to raise or impose charges on any air carriers, to renegotiate rates and charges with any carriers for the purpose of replacing revenues that otherwise would have been available to such airport from the Trust Fund, with such revenues to be utilized for capital and operating expenses only; directs the Secretary and the Comptroller General to each conduct and transmit to Congress, no later than nine months following enactment, a study of those airports that would become ineligible for Federal assistance under the Act, and the ability of such airports to replace Federal moneys they would otherwise receive, along with any recommendations for legislative or other action; and clarifies antitrust immunity. S. 1648—Passed Senate February 5, 1980. (VV)

Automobile efficiency—fuel economy: Amends title V of the Motor Vehicle Information and Cost Savings Act, which established the present automobile fuel economy program to: (1) exempt manufacturers of fewer than 10,000 automobiles annually, worldwide, from mandatory fuel economy standards and certain reporting requirements; (2) permit manufacturers commencing U.S. production after enactment, whose vehicles have attained U.S. or Canadian value added content in labor and materials equal to or in excess of 75 percent of total production cost, to continue to combine such vehicles with imported vehicles into a single fleet to meet the mandatory corporate average fuel economy (CAFE) standards unless the Secretary finds that such combination would reduce U.S. auto manufacture employment; (3) provide for a three year in lieu of one year carry forward/carry back of credits earned in any model year for CAFE performance in excess of standard to offset civil penalties incurred in any model year for failure to meet the CAFE standard unless the Secretary finds that such combination would reduce U.S. auto manufacturers employment; and (4) permit any U.S. manufacturer who initiates U.S. production of foreign automobiles to include up to 150,000 of these automobiles annually in his domestic fleet in order to meet any year's CAFE standard, if at least 50 percent of their production cost consists of domestic value added content in labor and materials and the manufacturer has submitted a plan acceptable to the Secretary of Transportation to increase the domestic value added content to 75 perment within three years thereafter and if the manufacturer does in fact achieve the 75 percent ratio within four years. S. 2475—Public Law 96-425, approved October 10, 1980. (VV)

Aviation excise taxes extension: Amends the Internal Revenue Code of 1954 to extend for three months, from July 1 until September 30, 1980, the present aviation excise taxes that go into the Airport and Airway Trust Fund which are scheduled to either expire or be reduced on July 1; and provides that the due date for filing a return for payment of the aircraft use tax for the three month period will not be earlier than October 31, 1980. H.R. 7477—Public Law 96-298, approved July 1, 1980. (VV)

Aviation safety and noise abatement: Authorizes a new program to assist airports and surrounding communities in the development and implementation of noise abatement programs, to reduce existing noncompatible land uses, and to prevent future noncompatible land uses around airports; directs the Secretary of Transportation to establish, within 12 months, single systems for measuring noise at airports and surrounding areas and for determining the impact of noise upon individuals and to identify land uses which are normally compatible with various impacts of noise on individuals; permits airport operators to submit noise impact maps setting forth the noncompatible land uses within the vicinity of the airport; authorizes $25 million for the Secretary to make grants to sponsors of air carriers airports for noise compatibility planning; authorizes the Secretary to make grants to airport operators to implement an approved noise compatibility program; requires the Secretary to prepare and publish a noise exposure map and a noise compatibility program for National and Dulless Airports in the Washington, D.C. vicinity within 12 months of enactment; provides that no part of any noise impact map or related information submitted to or prepared by the Secretary shall be used as evidence in any suit or action seeking damages or other relief for the noise that results from the operation of an airport; requires the Secretary to study and submit to Congress a report on the achievements of the grant programs; authorizes and makes available from the Airport and Airway Trust Fund an increase for airport construction and development of $44 million for air carrier airports and $13 million for general aviation and reliever airports; increases by $5 million the authorized funds in fiscal 1980 for expenditure at reliever airports; restores the Federal matching for smaller airports; authorizes the Secretary of Transportation to provide waivers from noise regulations on a case-by-case basis when the aircraft operator has made a good faith effort to comply, but external circumstances prevent compliance; prohibits approval of any

project involving the construction or extension of a runway at a general aviation airport on a line separating two counties in a State that is not first approved by local governing bodies;

Authorizes the Secretary to promulgate noise regulations for foreign air carriers operating in the U.S. that are compatible with those for U.S. carriers; authorizes the Secretary to grant a waiver from noise regulation compliance deadlines to permit noncomplying aircraft to be operated for a reasonable period beyond a deadline if the operator is making a good faith effort to comply and there is good cause for his failure to comply; sets guidelines for the Civil Aeronautics Board to use its existing authority to impose a surcharge to ensure that noise compliance is met even if industry profits dip drastically; directs Secretary to submit status reports on the development of collision avoidance systems and proposed timetables for implementation of such systems; makes an air carrier employee who performs his regular duties in more than one State subject to the income tax of the State of residence; requires the Administrator of FAA to promulgate regulations relating to access to public areas at National and Dulles Airports by individuals and organizations who seek to solicit funds or distribute materials; imposes a fine of $1,000 and/or one year imprisonment for concealing a dangerous weapon by a person boarding an aircraft or attempting to place on board a loaded firearm or bomb; and permits limited commercial passenger service in interstate transportation at Love Field in Dallas, Texas. H.R. 2440—Public Law 96-193, approved February 18, 1980. (73)

Boating safety: Amends the Federal Boat Safety Act of 1971 to improve recreational boating safety and facilities by encouraging greater State participation through the establishment of two separate grant programs—one for recreational boating safety and one for recreational boating facilities improvement; authorizes $10 million annually for each program for fiscal 1981 through 1983; gives States the option of participating in one or both programs; directs the Secretary to establish guidelines and standards for the program and to distribute funds to States having an approved program; establishes a National Recreational Boating Safety and Facilities Fund into which will be deposited up to $20 million annually to be derived from the excise taxes on motorboat fuel; directs the Secretary of the Treasury to conduct a study to determine the portion of the taxes attributable to fuel used in recreational motorboats; provides Federal initiatives to promoted reforestation on both private and public timberlands through a seven-year amortization and the regular ten percent investment tax credit for a limited amount of qualifying reforestation expenditures annually; and establishes, within the Treasury, a Reforestation Trust Fund to fund reforestation activities in order to eliminate a replanting backlog in the National Forest System. H.R. 4310—Public Law 96-451, approved October 14, 1980. (VV)

Hazardous materials—nuclear waste transportation: Extends the Hazardous Materials Transportation Act for three years, through fiscal 1983, and authorizes therefor $9.1 million, $9.8 million, and $10.5 million respectively for the Department of Transportation's Hazardous Materials Transportation Bureau to upgrade significantly training of Federal, State, and local hazardous materials inspection personnel; requires a detailed survey and evaluation of existing hazardous waste material emergency response programs and expands the National Response Center which provides 24 hour a day response information and assistance; authorizes State grants for review of the impact of transportation of radioactive fuels and for inspection and enforcement of Federal regulations applicable to radioactive materials; requires the formulation of a national emergency response plan to deal with emergency situations which may result during the transportation of radioactive materials; and authorizes $18.9 million, $20.8 million, and $23.1 million for fiscal 1981 through 1983 to extend the Independent Safety Board. S. 1141—Passed Senate May 22, 1979; Passed House amended September 17, 1979; Senate concurred in House amendments with amendment September 30, 1980. (VV)

Household moving industry: Reduces unnecessary Federal regulation of the household goods moving industry in order to provide opportunities for new and improved services to the public and to improve the financial condition of the industry; establishes new remedies and protections for consumers, and furnishes additional pricing options for carriers and consumers; requires the Interstate Commerce Commission to allow more industry flexibility for quoting estimates for weighing shipments and for providing service options; gives the ICC authority to monitor agents of household goods for engaging in wrongful business practices but prohibits it from undue interference; requires the ICC to institute a rulemaking that will lead to the revision of all of its paperwork and operational regulations pertaining to transportation of household goods; creates a dispute settlement mechanism to resolve claims filed against carriers by their shippers that will be inexpensive, expeditious, and easy to use; and restructures the civil penalty provisions and makes the practice of "weight-bumping" (the knowing and willful making or securing of a fraudulent weight on a shipment of household goods) a specific crime with fines up to $10,000 for each offense and/or two years imprisonment. S. 1798—Public Law 96-454, approved October 15, 1980. (VV)

Independent Safety Board: Extends the authority of the Independent Safety Board to establish regulations on reporting requirements for aviation incidents as well as accidents; gives the Board priority over other Federal agencies in the investigation of surface transportation accidents and affirms its exclusive role in the determination of probable cause of an accident; directs the Board to include all other appropriate agencies in the conduct of the investigation and to provide for timely dissemination of all relevant information with the participating agencies which are expected to defer to the Board's investigation but retain their statutory rights to obtain information directly from parties involved in the accident; authorizes Board employees to enter property on which either a transportation accident has occurred or wreckage from an accident exists; specifies the employee's right to take appropriate measures for investigation, including assuming custody of certain kinds of physical evidence for the purposes of examination or testing and the inspection of various other kinds of evidence; and authorizes $18.9 million for fiscal 1981, $22 million for 1982, and $24 million for 1983 for programs of the Independent Safety Board. S. 2459—Passed Senate June 3, 1980. (VV)

Inland navigation: Unifies the rules for navigation on inland waters to reduce collisions and for other purposes; and amends the Longshoremen's and Harbor Workers' Compensation Act to remove from coverage workers in small commercial shipyards and recreational boat manufacturing establishments, and workers who build and repair all types of vessels under 1,600 gross tons. H.R. 6671—Passed House June 23, 1980; Passed Senate amended September 30, 1980; House agreed to all Senate amendments on November 19, 1980, except the amendment which redefines the term "employee" under the Longshoreman's and Harbor Workers Compensation Act which would have the effect of removing some 300,000 workers from the act's coverage and instead place them under State workmen's compensation laws; Senate requested conference November 19, 1980. (VV)

International air fares: Amends the Federal Aviation Act of 1958 to promote competition in international air transportation, provide greater opportunities for U.S. air carriers, and establish goals for developing U.S. international aviation negotiating policy; permits the Civil Aeronautics Board (CAB) to suspend or revoke, without a hearing, a U.S. carrier's certificate to serve a point in foreign air transportation after notice and a reasonable opportunity to respond, if the carrier has served notice that it intends to suspend all services to a specified point or where it has not provided any regular service for a 90-day period; prohibits CAB from approving any agreement affecting foreign air transportation that reduces or eliminates competition except in special circumstances; gives the Secretary of Transportation the authority to permit foreign-registered aircraft to operate between points in the U.S. under a lease to a U.S. carrier and special regulations prescribed by the Secretary; permits CAB to exempt foreign air carriers from the provisions of this act as necessary to enable them to carry traffic in interstate or overseas transportation under certain circumstances; requires the Secretaries of State and Transportation and the CAB, in developing international air transportation policy, to consider: (1) the strengthening of the competitive position of U.S. air carriers to at least assure equality with foreign air carriers to maintain and increase their profitability in foreign air transportation, and (2) the elimination of marketing restrictions to the greatest extent possible; requires the President to grant observer status at international aviation negotiations to at least one representative of each House of Congress if requested in advance; allows the use of foreign carriers for official U.S. government air travel if U.S. flag carrier services are not reasonably available between two foreign points; authorizes the U.S. to negotiate the right to carry U.S. Government-financed passengers and property with foreign governments in return for liberal bilateral agreements benefiting the traveling public and U.S. air carriers; creates a nonsuspension zone for fares for foreign transportation which would provide for five percent upward and 50 percent downward pricing flexibility within which CAB is prevented from exercising its suspension powers; establishes the "standard foreign fare level" as the fare level filed for and permitted by the CAB to go into effect on or after October 1, 1979 (with seasonable adjustments), or the fare level determined by CAB in any case in which it determines the fare limit on October 1, 1979, was unjust or unreasonable, under specified procedures; permits CAB to revise and make appropriate adjustment on a one-time basis, to the standard fare levels in markets accounting for no more than 25 percent of the U.S. flag international passengers if it is determined that some of them are too high or too low; prohibits CAB from authorizing part charters by U.S. air carriers prior to December 31, 1980; provides that when CAB approves an agreement under the modified Bank Merger Act test, it shall grant an exemption from the antitrust laws for actions necessary to carry out the approved agreement; and permits turnabout passenger service between Love Field in Dallas, Texas, and points in the four States contiguous to Texas. S. 1300—Public Law 96-192, approved February 15, 1980. (VV)

Maritime authorization: Authorizes $571,174,000 for fiscal 1981 for the Maritime Administration as follows: $135 million for ship construction differential subsidies; $347,697,000 for operating differential subsidies; $17,070,000 for research and development; $32,543,000 for the maritime education and train-

ing expenses, including $18,201,000 for maritime training at the U.S. Merchant Marine Academy at Kings Point, N.Y., $10,780,000 for assistance to State marine schools, and $1,882,000 for supplementary training authorized under section 216(c) of the Merchant Marine Act, 1936; $38,864,000 for maritime administration operating expenses including $7,208,000 for the National Defense Reserve Fleet and $31,656,000 for operating expenses related to the waterborne transportation systems and to general administration; requires that a vessel built with a construction differential subsidy must be offered for enrollment in a sealift readiness program; provides $44,307,000 in supplemental funds for the operating differential subsidy program to cover increased costs for settlement of amounts due for prior year operations, unbudgeted activity in the Soviet grain trade, cost increases and changes in the rate of payment for current year operations; and authorizes documentation of the vessel *Fundy Pride* as a vessel of the United States so that she may engage in the American fisheries for nonprofit, educational purposes. H.R. 6554—Public Law 96–459, approved October 15, 1980. (VV)

Maritime education and training: Consolidates nine separate acts relating to maritime education into a single recodified title, to clarify and improve the Federal laws pertaining to maritime education and training, and to define the obligations of students who attend the U.S. Merchant Marine Academy and State merchant marine academies; defines the primary function of the U.S. Merchant Marine Academy and the State maritime academies; establishes a policy of maritime education and training to ensure that graduates are competent to perform their functions and a new Naval Reserve Program to enable Merchant Marine officers to cooperate with the Navy in times of a national emergency; requires Merchant Marine graduates to perform uniform obligations; replaces a varying program of student assistance with a Student Incentive Payment Program under which students at the U.S. Maritime Academy and those of the State maritime academies would undertake certain obligations in return for a Federal grant; authorizes the Secretary of Commerce to select 40 additional qualified individuals possessing qualities of special value to the Academy; and authorizes the attendance of 30 foreign students on a reimbursable basis. H.R. 5451—Public Law 96–453, approved October 14, 1980. (VV)

Maritime labor agreements: Exempts, from Federal Maritime Commission jurisdiction, all collective bargaining and related agreements under both the Shipping Act and the Intercoastal Shipping Act, except for agreements or arrangements for the funding of collectively bargained fringe benefits or other than a uniform full man-hour basis arrived at without regard to the cargo handled. H.R. 6613—Public Law 96–325, approved August 8, 1980. (VV)

Maritime tort claims: Establishes a uniform three year statute of limitations for a suit to recover damages for personal injury or death arising out of a maritime tort. H.R. 3748—Public Law 96–382, appoved October 6, 1980. (VV)

Motor vehicle safety standards: Authorizes $48.5 million for fiscal 1980, $53.35 million for 1981, and $61.3 million for 1982 to the National Highway Traffic Safety Administration to continue vehicle safety research develop existing, and, when necessary, promulgate new vehicle safety standards, conduct defect and noncompliance testing, and enforce existing provisions under the National Traffic and Motor Vehicle Safety Act of 1966; amends the Motor Vehicle Information and Cost Savings Act as follows: in Title I—Bumper Standards, authorizes $400,000 for fiscal 1980, $425,000 for 1981, and $450,000 for 1982 to provide for monitoring of bumper standards; in Title II—Automobile Consumer Information, authorizes $2.4 million for fiscal 1980, $1.5 million for 1981, and $1.65 million for 1982 for continued study and investigation of the methods for determining damage susceptibility, crash-worthiness, ease of diagnosis, and repair of certain automotive systems; in Title III—Authorizes $300,000 each for 1980 and 1981 to allow completion of reports on the diagnostic inspection/maintenance program; and in Title IV—Odometers, authorizes $300,000 each for fiscal 1980 through 1982 to allow DOT to add additional investigators to combat odometer tampering; reduces the current five miles per hour impact test velocity specified in the Federal bumper standard to 2.5 miles per hour applicable for model years 1981 and 1982 only; incorporates the annual required report on bumper standards as a part of the annual report of the National Traffic and Motor Vehicle Safety Act; allows the Secretary of Transportation to promulgate exemptions from the odometer disclosure requirements for motor vehicles when odometer readings have no meaningful relationship to the value or performance of an automobile; amends the National Traffic and Motor Vehicle Safety Act to relieve tire dealers of certain mandatory recordkeeping and reporting requirements and requires public notice of a recall of defective tires; limits the regulatory burden the Secretary can impose upon the States to enforce the 55 mile per hour speed limit; accelerates the date by which passive occupant restraint provisions apply to small cars with high volume sales in the U.S.; requires these domestic and imported car manufacturers to make available to consumers a variety of passive occupant protection systems and establishes a new civil penalty for lack of compliance; and provides that any DOT rule may be vetoed within 90 days by adoption by a vote in both houses of a disapproval resolution. S. 1159—Passed Senate July 11, 1979; Passed House amended December 19, 1979; Senate agreed to conference report September 25, 1980. (VV)

NS *Savannah:* Authorizes the Secretary of Commerce to charter, under specified terms and conditions, the Nuclear Ship (*NS*) *Savannah* to a naval and maritime museum within Patriots Point Development Authority, Charleston, South Carolina for a minimum of five years and a maximum of 30 years with options to renew for five-year periods thereafter; requires that the Authority possess an NRC license but prohibits it from operating the nuclear utilization facility; places financial responsibility for the disposal of the reactor and other nuclear systems and radioactive contaminated components in the vessel with the Secretary of Commerce; requires NRC approval of any disposal plan; makes the Authority responsible for monitoring and security of the reactor and all nuclear systems and radioactive components and for licensee reporting requirements; authorizes the expenditure of funds previously authorized to preserve the vessel in the National Defense Reserve Fleet; and authorizes previously appropriated funds for fiscal 1980 to tow the *NS Savannah* to Patriot's Point, and to inspect and maintain her hull below the water line and such funds as may be necessary for such purpose during the terms of the charter and any renewals thereof. S. 1863—Public Law 96–331, approved August 28, 1980. (VV)

Ocean shipping: Revises and codifies the Shipping Act, 1916, and related laws, to create effective, unified, current, and consistent policies and laws to regulate our international ocean liner trades; sets forth a declaration of policy that clearly outlines nine objectives of ocean transportation regulation in the foreign commerce of the United States which are intended to serve as the substantive standards for the Federal Maritime Commission (FMC) evaluation of agreements involving concerted activity in international ocean shipping and patronage contracts between carriers, shippers, and consignees; clarifies and reaffirms the complete exemption of concerted activities in ocean shipping from the operation of the antitrust laws; establishes clear procedures for FMC approval of agreements and places statutory time limits on Commission action; provides for temporary approval of agreements; establishes certain categories of presumptively approvable agreements (including intermodel); permits the establishment and operation of shippers' councils within the United States; allows greater flexibility in the type of patronage contracts offered by carriers and conferences; authorizes the approval and implementation of international agreements; directs the U.S. Government to negotiate intergovernmental maritime agreements as a matter of U.S. policy whenever conditions in foreign commerce warrant their use and prescribes guidelines for their development; subjects all carriers to independent, neutral body self-policing in order to ensure compliance with the requirements of the Act; clarifies and reaffirms the independence of the FMC from OMB clearance of legislative recommendations, testimony, or comments; and provides for annual authorizations for the FMC, giving congressional committees with substantive jurisdiction over its activities the opportunity to ensure that sufficient funds are allocated to implement FMC-administered laws. S. 2585—Passed Senate April 24, 1980. (VV)

Railroads

Conrail: Authorizes $31.5 million for fiscal 1981 and $25.5 million for 1982 for administrative expenses of the United States Railway Association (USRA) including litigation and the monitoring of Conrail's operations; and requires USRA to make recommendations to Congress by November 15, 1980, and March 1, 1981, focusing on means to ensure a self-sustaining rail system in the Northeast and providing the necessary information needed for Congress to decide on the future funding and structuring requirements of Conrail. S. 2527—Passed Senate May 21, 1980. NOTE: (Comparable provisions are contained in S. 1946 which became Public Law 96–448.) (VV)

Northeast corridor: Amends the Railroad Revitalization and Regulatory Reform Act of 1976 to authorize an additional $750 million for fiscal 1981 through 1985 to complete the Northeast Corridor Improvement Project, of which $37 million will be set aside for improvements to the Baltimore-Washington Tunnel and costs associated with the rerouting freight service along the Corridor while such improvements are being made; places a firm funding limit on the program and makes it clear that, in the event of a conflict between the goals of improved passenger service and the amount of funding provided, the funding limitations will prevail; requires the Comptroller General to study and report to Congress within 12 months on the costs, benefits, and operational feasibility of similar service in other corridors and authorizes therefor $5 million out of existing funds authorized to GAO; and contains provisions to achieve greater efficiency on the part of Amtrak by requiring that Amtrak recover all operating costs by fiscal 1986, and by eliminating the special budgetary treatment currently afforded Amtrak's capital grants. S. 2156—Passed Senate May 8, 1980. (VV)

Railroad deregulation: Provides substantial regulatory reform of the railroad industry by allowing railroads greater pricing flexibility while retaining protection for captive shippers, imposing more stringent dead-

lines for abandonments and merger proceedings and other restructuring transactions, and clarifying the ICC's power to exempt rail transportation from regulation;

Ratemaking: simplifies the ratemaking provisions of 49 U.S.C. in order to provide the appropriate mix between regulation and the marketplace; repeals law that allowed railroads to set demand-sensitive rates to take advantage of seasonal traffic; provides a free zone for rate increases which do not exceed the railroads increased costs, based on a rail index to be compiled or verified by the ICC, which includes appropriate adjustments to reflect the quality and mix of material and labor; provides a six percent rate flexibility zone above cost increases until September 30, 1984, after which a four percent increase is allowed for carriers not having adequate revenues; allows the ICC to investigate rates within the zone if rate increases result in a 20 percent rate increase above the threshold, subject to a 190 percent cap; allows a railroad to impose a surcharge or a joint rate where more than one rail carrier handles a shipment; allows the ICC to cancel the joint route under certain conditions; preserves existing law under which the burden of proof is on the carrier in investigation proceedings and on the shipper on complaint proceedings; eliminates general rate increases by January 1, 1984 unless the Commission finds elimination is not feasible; requires tape recordings or transcripts of rate bureau meetings and a record of all votes; includes a saving provision to permit challenge of existing rates in an orderly fashion during the transition period to the new ratemaking provisions and procedures;

Abandonments: Expedites abandonment proceedings by setting forth time periods within which the ICC must act upon abandonment applications, depending on opposition to abandonment and complexity of proceeding; requires railroads to sell a line approved for abandonment to a financially responsible person upon offer to pay acquisition cost of line or difference between revenues attributable to service plus a reasonable return on value of the line; clarifies the Rock Island Transition and Milwaukee Railroad Restructuring Act to state affirmatively that nothing in these Acts shall limit the right of any person to bring an action under the Tucker Act; provides that appeals with respect to constitutionality of the Rock Island or Milwaukee legislation be taken to the Court of Appeals for the Seventh Circuit and requires an expedited decision; sets forth a new schedule for negotiation of employee protection agreement between the Rock Island Railroad and employee organizations;

General provisions: Clarifies the ICC's power to exempt rail transportation from regulation; restricts the ICC's car service powers to emergency situations and encourages State authorities to exercise their regulatory jurisdiction in a manner consistent with standards established in the railroad transportation policy; authorizes $10 million over a three-year period for the Department of Interior's Federal grant program to convert abandoned railroad property to conservation or recreation use;

Provides railroad financial assistance by continuing the redeemable preference share program and increasing the authorization to $700 million, $200 million of which would be available to USRA for use by Conrail in establishing a voluntary annuity program to reduce the size of its workforce;

Authorizes $30 million for the U.S. Railway Association and an emergency funding of $329 million to purchase additional Conrail series A preferred stock to assure the continuation of Conrail operations during completion of mandated studies concerning the carriers future projected funding requirement and its future structure and activities. S. 1946—Public Law 96-448, approved October 14, 1980. (*72, *461)

Railroad financing improvement: Improves the labor protection program under title V of the Regional Rail Reorganization Act of 1973 which provides benefits to the former employees of the bankrupt Northeast and Midwest railroads by: (1) reducing the opportunity for protected employees to receive excessive compensation guarantees, (2) allowing the Consolidated Rail Corporation (Conrail) and other employers with employees protected under the provisions of the Regional Rail Reorganization Act, to retain and transfer some protected employees, (3) increasing by $235 million the authorization to pay revised benefits, and (4) directing the United States Railway Association (USRA) to monitor the program; extends for two years, until September 30, 1982, the Railroad Rehabilitation and Improvement Financing Program established under Title V of the Railroad Revitalization and Regulatory Reform Act of 1976 and increases its authorizations from $700 million to $1.1 billion; makes any group that wishes to purchase or rehabilitate a line of a railroad to ensure continued rail service eligible for low-interest loans under the Redeemable Preference Share program; and provides a specific allocation of program funds for labor costs associated with improved manpower effectiveness. S. 2530—Passed Senate June 28, 1980. NOTE: (Comparable provisions are contained in S. 1946 which became Public Law 96-448.) (VV)

Railroad safety: Amends the Federal Railroad Safety Act of 1970 to authorize $38 million for fiscal 1981 and $40 million for 1982 to the Secretary of Transportation to cover administrative expenses of the Federal Railroad Administration's (FRA's) rail safety program, inspection and enforcement activities and grants-in-aid for State inspection programs; specifies that $10 million be used for safety, research, and development of which $500,000 is for alcohol and drug abuse treatment programs; expands the Secretary's emergency order authority to facilitate a more effective enforcement of rail safety laws and provide appropriate protection for the carriers; mandates that the Secretary complete studies and reports on State participation in rail safety programs, railroad employee training, the retrofitting of DOT Specification 105 tank cars, and the reevaluation by FRA of its safety goals and programs; makes certain statutory changes to clarify and consolidate the administrative and enforcement powers of the Secretary, including expansion of venue for actions brought under the rail safety laws to allow an action to be brought where the defendant has his principal executive office, and as under present law, where the violation occurred; gives a rail employee the right to bring an action to compel the Secretary to issue an emergency order if it can be shown that failure to do so would expose the employee to imminent physical injury; broadens State participation in rail safety inspection programs and expands the enforcement authority of States participating in investigative and surveillance activities; reduces from 90 to 15 days the period in which a participating State must await action by the Secretary before going into Federal court for injunctive relief from critically unsafe rail conditions and reduces from 90 days to 60 days the period in current law that a State must wait before bringing an action for civil penalties; forbids a carrier from discharging or discriminating against an employee for filing a complaint, instituting a proceeding, or testifying in a proceeding relating to safety violations or for refusing to work under hazardous conditions; codifies the protection currently granted rail employees, who are not covered by OSHA, under which they may seek similar protection through normal grievance procedures established under section 3 of the Railway Labor Act; provides that safety specialist inspectors employed by DOT receive a GS-13 rating and regular safety inspectors a GS-12 rating; requires DOT to issue, within two years, regulations insuring the safe construction, maintenance, and operation of passenger equipment; and authorizes the Secretary to enter into agreements with States for investigation and surveillance activities under the Safety Appliance, Locomotive Inspection, Signal Inspection, Hours of Service, and Accident Reports Acts to provide the FRA with the ability to assure that State agencies make maximum contributions to the railroad safey effort. S. 2730—Public Law 96-423, approved October 10, 1980. (VV)

Rock Island bankruptcy: Makes available $25 million from the fiscal 1980 Department of Transportation Appropriations Act (Public Law 96-131) to the Interstate Commerce Commission (ICC) to continue service for 45 days from the date of enactment over those lines of the Rock Island Railroad which were in operation on March 1, 1980, and for 30 days on those lines of the Milwaukee Railroad that are (1) included in a reorganization plan approved by the ICC, or (2) included in initial bids for purchase of lines outside of such a reorganization plan, in order to avoid excess disruption in transportation services provided by the railroads during their reorganization; permits the ICC to provide directed service on the Milwaukee only in the event that the Secretary of Transportation determines that such service cannot be continued under the Emergency Rail Service Assistance Act; provides, under specified conditions, for a first-hire status by all other rail carriers to those persons who were employed by the Rock Island Railroad on March 1, 1980, and who are separated prior to September 30, 1980, due to reduction in force; provides guaranteed obligations of not to exceed $50 million to provide employee protection of which $30 million is to be an administrative expense of the estate of the Rock Island Railroad and $20 million to take priority below claims of general unsecured creditors of the railroad but above claims of common stockholders; authorizes $750,000 for fiscal 1981 to cover administrative expenses of the Railroad Retirement Board; makes available not less than $25 million in funds previously authorized under the Railroad Revitalization and Regulatory Reform Act of 1976 to encourage the purchase of Rock Island lines by non-carrier entities including associations of railway labor, employee coalitions, and shippers, pursuant to a feasible employee or employee-shipper ownership plan; directs ICC to give preference to proceedings involving Rock Island and imposes time limits on applications for interim emergency service and for sale and transfer; gives the Federal Railroad Administration discretionary authority to grant exemptions from the Safety Appliances Act to encourage the development or implementation of new rail technology; and encourages the implementation of an employee stock ownership plan (ESOP) for ConRail by providing indemnification for liabilities incurred in the establishment of the plan. S. 2253—Public Law 96-254, approved May 30, 1980. (VV)

Shipbuilding contracts: Makes permanent the authority of the Secretary of Commerce, under section 502(a) of the Merchant Marine Act, 1936, as amended, to accept negotiated contracts for Government-subsidized vessel construction. H.R. 5913—Public Law 94-210, approved March 17, 1976. (VV)

Towing Safety Advisory Committee: Establishes, within the Department of Transportation, a five-year, 16-member Towing Safety Advisory Committee to consult with, advise, and make recommendations to the Secretary on matters relating to shallow-draft inland and coastal waterway navigation

and towing safety; provides that the advisory committee's proceedings shall be open to the public; and authorizes therefor such sums as necessary for administrative services provided by the Coast Guard in support of the committee's business. H.R. 6242—Public Law 96-380, approved October 6, 1980. (VV)

Transportation laws codification: Amends subtitle IV of title 49, U.S.C. (Transportation Laws) to codify recent law and improve the Code without substantive change. H.R. 3807—Public Law 96-258, approved June 3, 1980. (VV)

Truck safety: Seeks to combat the increasing number of deaths, injuries, and property damage due to commercial motor vehicle accidents by promoting highway safety, encouraging safe operation and maintenance of commercial motor vehicles, and protecting the health and safety of commercial motor vehicle operators;

Develops new regulatory authority and enforcement tools to promote commercial motor vehicle safety; provides for coverage of specified commercial motor vehicles in or affecting commerce including any weighing at least 10,000 pounds any transporting hazardous materials and any which carry ten or more persons; exempts any vehicle engaged in farming activities or logging operations;

Increases civil and criminal penalties for violations of commercial motor vehicle health and safety requirements; imposes a fine of up to $500 per violation for failure to fulfill recordkeeping requirements with each day counted as a separate offense, and an overall ceiling of $10,000 on any single violation; directs the Secretary of Transportation to investigate any nonfrivolous complaint concerning a material violation which is occurring or has occurred within the preceding 60 days of the complaint;

Contains provisions to protect an employee from discharge, discipline, or discrimination if he or she refuses to operate a vehicle due to the employee's apprehension of serious injury to their person or to the public due to the unsafe condition of the equipment; directs the Department of Labor to investigate employee complaints when discrimination is alleged and if a violation is discovered, to order affirmative action to abate the violation including such remedies as reinstatement and specified compensation and damages;

Establishes uniform maximum national standards for trucks using the interstate system of 80,000 pounds weight and 102 inches wide:

Authorizes $50 million in fiscal 1981, $100 million in 1982, and $100 million in 1983 to carry out a program of matching grants (80 percent Federal 20/percent State) for State development or implementation of programs to enforce commercial motor vehicle safety laws and regulations; requires formulation of procedures for submission of State enforcement plans; allows a State to adopt additional or more stringent safety rules if they do not create a burden on commerce or are not inconsistent with Federal rules;

Establishes a Commercial Motor Vehicle Safety Advisory Committee composed of the Secretary of Transportation and 15 members appointed by the Secretary who are experienced in the safety regulation of commercial motor vehicles or technically qualified by training, experience, or knowledge, to evaluate commercial motor vehicle safety requirements to advise, consult with, and make recommendations on matters relating to DOT activities and functions in the field of commercial motor vehicle safety;

Requires the Secretary to report to Congress within one year on the advisability of establishing a national commercial driver register; requires a study of health hazards facing truck drivers;

Gives the Department of Transportation, instead of the Interstate Commerce Commission, sole authority to make determinations of the safety aspects of the "fit, willing, and able" requirement that specified carriers must meet to operate commercial motor vehicles; and contains a savings provision to provide for the continuation of all present rules, regulations, standards, orders, or determinations relating to commercial motor vehicle safety until modified by the Secretary. S. 1390—Passed Senate February 20, 1980. (*43)

Trucking deregulation: Amends title 40, U.S.C., to eliminate unnecessary Federal regulation of motor carriers and to encourage competition as a means of maintaining and improving a sound, privately-owned motor carrier system;

Entry policy: Eases entry by new firms into the industry and expansion of operations by existing firms; shifts the burden of proof to companies opposing the entry which must show that the service is not in the public interest; eliminates the entry test of meeting public necessity for: points not regularly served by a regulated carrier; transportation as a substitute for abandoned rail service; transportation of food by owner-operators, small shipments, and for some service for the Federal government; specifically prohibits the issuing of "master certificates" based on general findings; limits protests to an application to those who are already licensed to perform the service, or who have applied previously for the authority, or those to whom the ICC grants leave to intervene; limits protests to an application to serve as a common carrier to those who already are authorized to perform the service or who applied previously for the authority, or those to whom the ICC grants leave to intervene; prohibits any contract motor carrier from protesting any application;

Removal of restrictions: Directs the ICC to process individual applications to remove restrictions from certificates and permits; and directs the ICC, within 180 days of enactment, to eliminate all rules requiring truckers to stop at specific gateway points or take circuitous routes;

Exemptions: Exempts from ICC regulation the transportation of animal feed, agricultural seeds, and plants; specified transportation by a subsidiary of a corporation for another unit of the corporation for a fee if the subsidiary is wholly owned and notice given to the ICC, including a list of subsidiaries involved; transportation by motor vehicles incidental to U.S. air transport, and to the extent approved by the CAB by a foreign air carrier; used pallets and containers and other used shipping devices; and transport of crushed volcanic rock for decorative purposes, and wood chips;

Food transportation savings: Makes it clear that subtracting transportation savings from the delivered price of goods is not a violation of the Robinson-Putnam Act; and states the sense of Congress that these savings should be passed on to the ultimate consumer;

Ratemaking flexibility: Prohibits the ICC from interfering with rate changes proposed by a motor carrier if they are not ten percent higher than the rate in use one year prior to the effective date of the proposed change, or ten percent lower than the charge in effect July 1, 1980; allows the ICC to increase the flexibility zone maximum by an additional five percent per year if it determines that competition warrants the change; limits the scope of collective ratemaking and restricts rate bureaus; and eliminates collective ratemaking on single-line rates beginning January 1, 1984:

Antitrust immunity: Authorizes the continuation of motor carrier rate bureaus but phases out after three years the antitrust immunity now granted to truckers discussing or voting on single line rates; authorizes a study commission to review the need for continued antitrust immunity and report to the President and the Congress by July 31, 1982;

Miscellaneous: Prohibits "lumping", the practice of requiring that persons who own or operate motor vehicles be assisted in loading or unloading their vehicles; and establishes civil and criminal penalties for violations; allows a food seller to compensate a customer for picking up commodities at the seller's dock;

Directs the ICC to license an applicant to be a broker for transportaiton of property if the applicant is "fit, willing and able"; directs the Secretary of Agriculture to develop regulations for the use of written contracts governing the interstate movement by motor vehicle of exempt agricultural commodities;

Increases the total value of outstanding securities and other obligations of motor carriers exempt from ICC regulation from $1 million to $5 million and of notes of less than two years maturity from $200,000 to $1 million; and increases the aggregate gross operating level below which a carrier is exempt from regular merger requirements from $300,000 to $2 million;

Directs the Secretary of Transportation and the ICC, in consultation with State agencies and the motor carrier industry, to develop recommendations to be made to Congress to provide a more efficient and equitable system of State regulations for interstate motor carriers; directs the ICC to make an investigation and study of motor carrier service to small communities;

Permits common carriers to enter into pooling agreements, which the ICC shall approve without a hearing unless it determines that it is of major transportation importance and there is a substantial likelihood that the agreement will unduly restrain competition;

Authorizes the ICC to require establishment of through routes (with more than one carrier performing the haul) and joint rates between motor carriers and water and rail carriers; prohibits the ICC from requiring a carrier to reduce any "through" route to substantially less than the entire length of its route except as specified;

Authorizes the ICC to grant a carrier, for up to 270 days, temporary or emergency temporary authority to provide transportation to a place having no current service capable of meeting its immediate needs;

Amends the nonrail hearing and appellate process for reaching an initial decision and for deciding an application for rehearing, reargument, or reconsideration; sets specific time deadlines for processing applications; permits the ICC to prescribe specified recordkeeping and filing requirements and to conduct inspections of agricultural cooperatives engaged in motor carrier transportation; directs the Secretary of Transportation to set minimum levels of insurance for both regulated and nonregulated carriers; establishes minimum levels of financial responsibility; prohibits taxation of motor carrier property deferment from other commercial and industrial property; permits common and contract carriers to deliver or receive piggyback trailers from rail carrier routes; and directs the Secretary of Labor to publish comprehensive lists of jobs available with regulated carriers and to assist jobless former employees of regulated carriers to find other employment. S. 2245—Public Law 96-296, approved July 1, 1980. (*78)

Urban mass transportation: Authorizes a total of $25.1 billion for fiscal 1981 through 1985 for the Urban Mass Transit Administration (UMTA) of the Department of Transportation, plus such sums as may be necessary for administrative expenses; adds a supplemental 1980 authorization of $400 million; provides five-year total authoriza-

tions of $13.9 billion for urban discretionary capital grants, including $9.5 billion for urban formula grants, $650 million for section 18 small urban and rural grants, and approximately $980 million for research, development, and demonstration projects;

Requires the Secretary of Transportation to develop an allocation plan to use as the basis for the distribution of grant funds for rail modernization and rehabilitation projects; reserves 75 percent of these funds for distribution according to this plan; requires the Secretary to submit a proposed final allocation plan to the Senate and House authorizing committees by January 1, 1982; provides that the allocation plan would become final when approved by both Houses of Congress by concurrent resolution;

Gives the Secretary the authority to use up to $150 million annually to purchase transit vehicles and related equipment directly and then grant ownership of these vehicles and equipment to States and local public bodies in urbanized and non-urbanized areas;

Requires the Secretary to give the House and Senate authorization committees written notice 30 days in advance of the issuance of a formal letter of intent to obligate additional funds for large multi-year capital projects from future available budget authority;

Amends Section 4 of the Urban Mass Transit Act to authorize for fiscal years 1981 through 1985, $2.490 billion, $2.625 billion, $2.775 billion, $2.930 billion, and $3.090 billion respectively for Discretionary Grants; $100 million, $85 million, $90 million, $95 million, and $100 million respectively for research and development and university research; $10 million each year for transportation centers; and $110 million, $120 million, $130 million, $140 million, and $150 million respectively for nonurbanized areas;

Extends authorizations for the formula grant program through fiscal 1985 to provide $1.665 billion in 1981, $1.805 billion in 1982, $1.925 billion in 1983, $2.025 billion in 1984, and $2.125 billion in 1985; deletes the formula grant authorization for fiscal 1981 and 1982, which was designed to allow distribution of funds among several tiers; substitutes a single dollar authorization in 1981 for the whole program and funds each tier as a percentage of that total authorization to closely approximate the amounts of the prior authorization;

Makes a permanent change in the basic mechanism for distribution of funds under the formula grant program, except for cities with populations between 50,000 and 200,000, effective in fiscal 1982, by establishing rail and bus revenue vehicle miles as the sole element of the distribution formula; provides that 80 percent of these funds be appropriated on the basis of each area's ratio of bus and rail revenue vehicle miles to the total in all areas; allocates the remaining 20 percent proportionately according to the ratio of bus revenue miles only, and provides that the funds shall be available only for the purchase of buses or related equipment; permits funds to be apppropriated a year in advance of the fiscal year in which they will be obligated by UMTA to give State and local governments advance notice of the formula apportionment that they can expect the following year; adds a new incentive formula grant program to Section 5 starting in fiscal year 1983 to help increase transit ridership and encourage stable and reliable sources of non-Federal funds by rewarding urbanized areas based on increases in ridership and on the ratio of operating revenues and dedicated tax sources to total eligible operating costs;

Requires that the Secretary not approve any program after July 1, 1982, unless he or she finds that energy conservation has been adequately considered in the development of capital and operating expense projects; revises the definition of fixed guideway to specify that rails used exclusively for transit are to be included in the formula grant apportionment; strengthens and clarifies the existing authority of the Secretary to investigate safety conditions; makes the Buy American Program apply to all projects costing more than $500,000;

Restricts fiscal 1982 spending to the 1980 level if the amount of paperwork which UMTA requires of business, private persons, and State and local governments in 1981 exceeds the 1980 level;

Permits the State of Maryland to use revenues from existing transportation facilities to guarantee bonds for a new Baltimore Harbor Tunnel;

Creates a public transportation planning process for non-urban areas to be carried on in cooperation and consultation with appropriate local officials and substate planning agencies; and provides that each State shall receive no less than one percent of the funds for non-urban transportation programs;

Establishes a formula for bus capital funds for 1981 for cities with population over 200,000 based on each city's ratio of bus revenue vehicle miles to the total for all cities; allows use of medicare cards as proof of eligibility for reduced fare ridership for elderly or handicapped persons; establishes a program for transportation of handicapped persons which would allow localities under 50,000 to present a plan for the Secretary's approval for special transportation services; requires cities from 50,000 to 750,000 to equip 50 percent of new buses for access by the handicapped; and requires cities over 750,000 to equip all new buses for access by the handicapped;

Federal-aid Highway Amendments of 1980: Limits obligations for Federal-aid highways and highway safety construction programs for fiscal 1981 to $8.45 billion; provides that 80 percent of these funds shall be distributed to the States according to the current State ratio, and the remaining 20 percent shall be allocated by the Secretary after August 1, 1980, for projects in States which have obligated all their funds; and

Emergency impacted rail and highway transportation: Authorizes $250 million in fiscal 1981, increasing by $50 million each year through 1985, for roads affected by the transportation of heavy bulk energy material. S. 2720—Passed Senate June 25, 1980. (*235)

Vessel documentation: Authorizes the documentation of the privately-owned vessel, *Kailua*, as a vessel of the United States with the privileges of engaging in domestic coastwise trade. S. 2476—Passed Senate June 20, 1980. (VV)

Authorizes the documentation of the privately owned vessel, *Scuba King* as a vessel of the United States with the privileges of engaging in the fisheries and coastwise trade so long as the vessel is owned by a U.S. citizen. S. 762—Passed Senate August 18, 1980. (VV)

Authorizes the documentation of the vessels *Sara, Aurelia Four Alice. Albatross, Hillbilly I, Scuba King,* and *Kailua* as vessels of the United States with the privileges of engaging in coastwide trade as long as each vessel is owned by a U.S. citizen; requires, with respect to the vessel *Sara,* that it be operated for a nonprofit purpose and authorizes the vessel *Scuba King* to engage in the U.S. fisheries; directs the Secretary of Commerce, acting with the Secretary of Navy, to prepare specifications for national defense features to be installed on vessels of the national defense reserve fleet, vessels requisitioned, chartered or purchased by the Maritime Administration, vessels which are security for government guaranteed loans under the 1936 act, and vessels subject to an agreement between the owners and Secretary of Commerce; and provides for priority treatment of a vessel at a coal pier for the purpose of loading coal when the coal designated for that vessel is present at the terminal and available for loading. S. 1442—Public Law 96-387, approved October 7, 1980. (VV)

Vessel inspection and manning laws: Amends current law to update the manning and inspection statutes for small commercial and special purpose industrial vessels under 1,600 gross tons to provide uniform inspection standards and encourage the development of career patterns in the maritime industry; provides that vessels less than 100 gross tons, carrying passengers or freight for hire would be inspected and manned under the Small Vessel Manning Act; gives the Coast Guard the flexibility to prescribe the manning it deems necessary for vessels between 100 and 300 gross tons; retains current requirement that vessels 200 tons or over navigating in the high seas would have to have masters, mates, and engineers licensed by the Coast Guard and those 300 gross tons or over must be navigated with a licensed deck officer and a licensed engineer; retains the existing able seaman requirement under present law but adds two new types of less qualified able seamen to provide the necessary flexibility in meeting able seamen manning requirements for all classes of commercial vessels; and reduces, from 19 to 18 years, the minimum age requirement for able seamen to be consistent with international standards. H.R. 5164—Public Law 96-378, approved October 6, 1980. (VV)

TREATIES

Atomic energy agency safeguards agreements: Provides for enforcement in the U.S. of safeguards in all nuclear facilities, except those of direct national security significance, in accordance with international standards. Ex. B, 95th-2d—Resolution of Ratification agreed to July 2, 1980. (*302)

East German Consular Convention: Establishes consular relationships between the U.S. and the German Democratic Republic that are modeled after those contained in the most recent series of consular conventions negotiated with various countries particularly those of Eastern Europe; clearly delineates such obligations as free communication between a citizen and his or her consul, notification to consul officers of the arrest and detention of their citizens, and permission for consuls to visit those detained; and authorizes the consuls of both countries to perform the customary wide variety of other consular services which contribute to the improvement of both governmental and commercial interaction between countries. Ex. F, 96th-2d—Resolution of Ratification agreed to July 2, 1980. (*301)

Endangered species international trade convention amendment: Establishes an explicit legal basis for parties to the Convention on International Trade in Endangered Species to provide financial support necessary to carry out the work of the Convention. Ex. O, 96th-2d—Resolution of Ratification agreed to September 17, 1980. (*411)

Food and Convention: Supercedes the provisions of the 1971 Food Aid Convention as one of two conventions composing the 1971 International Wheat Agreement; raises the minimum annual food aid commitments of the 12 donor countries which are members from 4.3 million metric tons to 7.6 million metric tons of cereal grains or their cash equivalent, thereby raising the U.S. minimum annual food aid commitment from 1.89 million metric tons to 4.47 million metric tons; includes rice as an acceptable form of food aid, though it will not be equivalent on a ton-for-ton basis to other grains in meeting a member's annual obligation; and changes the method of valuing contributions of members which chose to contribute in cash to more accurately reflect prevailing prices and therefore maintain the real value of these contributions. Ex. G, 96th-2d

Resolution of Ratification agreed to September 17, 1980. (*408)

Halibut Fishery Convention With Canada: Brings the 1953 Convention Between the United States and Canada for the Preservation of the Halibut Fishery of the North Pacific Ocean and the Bering Sea into conformity with the terms of the U.S. Fishery Conservation and Management Act of 1975 (FMCA) and a Canadian Proclamation of 1977 which extended the exclusive fisheries jurisdictions of each country to a point 200 miles off their coasts; limits Canadian fishing in U.S. controlled waters to 1.2 million pounds of halibut in 1980; allows U.S. trawling in Canadian waters for 3,250 metric tons of groundfish in 1980 and none thereafter; provides, for both the U.S. and Canada, power to apply and enforce penalties for violations of the Convention in their respective areas of exclusive jurisdiction; reduces the period of notice either party must give before termination from two years to one year; and continues the joint management of transboundary halibut through the International Pacific Halibut Commission. Ex. DD, 96th-1st—Resolution of Ratification agreed to March 20, 1980. (*57)

IMCO convention amendments: Streamlines the structure and functions of the Intergovernmental Maritime Consultative Organization (IMCO) whose name when the amendments enter into force will be changed to the International Maritime Organization, to accommodate its increased size and workload and to formalize the status of the Legal Committee, the Marine Environment Protection Committee, and the Committee on Technical Cooperation in order to place these bodies on the same footing as the Maritime Safety Committee. Ex. S. 96th-1st—Resolution of Ratification agreed to July 2, 1980. (*298)

Inter-American Institute for Cooperation on Agriculture Convention: Strengthens and expands the mandate of the Inter-American Institute for agricultural science which will be renamed as the Inter-American Institute for Cooperation on Agriculture (IICA); provides that the Institute will consist of three principal organs—the Inter-American Board of Agriculture, the Executive Committee, and the General Directorate and that the Board be comprised of one representative from each member state. Ex. HH. 96th-1st—Resolution of Ratification agreed to September 17, 1980. (*413)

International carriage of perishable foodstuffs: Establishes uniform inspection requirements for transportation equipment which moves perishable foodstuffs across national borders; requires that all "insulated, refrigerated, or heated" equipment utilized to ship perishable foodstuffs into contracting States meet certain minimum standards set forth in the Annex to the Agreement; requires contracting States to inspect and test such equipment, issue certificates of compliance, and recognize the validity of certificates issued by other Contracting States; applies the terms of the Agreement to all transport equipment except that used in sea voyages of more than 150 kilometers; sets forth a procedure whereby this Agreement can be amended; and provides each contracting Nation with a veto over any proposed amendment. Ex. B. 96th—1st—Resolution of Ratification agreed to March 20, 1980. (*60)

International natural rubber agreement: Seeks to stabilize short-term natural rubber price fluctuations and at the same time encourage the expansion of natural rubber supplies over the long term; provides for the use of buffer stocks which will be bought or sold at various times, triggered by movements of natural rubber prices around an agreed reference price; provides for an initial purchase for the buffer stocks of 550,000 metric tons, to be held in both exporting and importing member countries; sets an initial reference price of 45 cents per pound; allows market forces to operate if the price fluctuates no more than 15 percent from the reference price; provides that the buffer stock managers may sell stocks if the price exceeds the reference by 15 to 20 percent, and buy rubber if the price is 15 to 20 percent below the reference; requires the manager to sell or buy if the price rises more than 20 percent above or falls more than 20 percent below the reference, respectively; and sets upper and lower indicative prices of 58 and 32 cents per pound, respectively, beyond which the price stabilization bands may not be adjusted. Ex. D, 96th—2d—Resolution of Ratification agreed to May 22, 1980. (*156)

International wheat agreement extension protocols: Continues U.S. participation in the 1971 Wheat Trade and Food Aid Conventions, which together constitute the International Wheat Agreement (IWA), until June 30, 1981; permits the U.S. to make good on its share (14 percent) of the annual administration expenses of the IWC, in fiscal 1980 and 1981; and provides that, if the Wheat Council determines that maximum and minimum prices or purchases and supply obligations are capable of successful negotiation, it shall request the Secretary General of the United Nations Conference on Trade and Development to convene a negotiating conference. Ex. FF, 96th—1st—Resolution of Ratification agreed to September 17, 1980. (*409)

Load lines convention amendment: Expedites the procedure for amending the technical annexes to the 1966 International Convention on Load Lines by providing for their tacit acceptance after two years unless objections are deposited by more than a third of the contracting parties or by parties whose combined merchant fleet is at least 50 percent of the gross tonnage of all the contracting parties. Ex. GG, 96th-1st—Resolution of Ratification agreed to July 2, 1980. (*299)

Maritime Search and Rescue Convention: Establishes a multilateral framework for rescuing persons at sea and provides a comprehensive approach to international search and rescue for world shipping; reemphasizes the longstanding maritime tradition that assistance be provided to any person in distress at sea, regardless of the person's nationality or status, or the circumstances in which that person is found; directs parties to the Convention to reach agreement on the boundaries of "search and rescue regions" and the division of responsibilities for overall coordination of search and rescue services in these regions; sets forth procedures for search and rescue services with regard to cooperation among States; preparatory measures to ensure readiness; what operating procedures to be followed during a search and rescue operation, and ship reporting systems to be instituted to provide timely information on the location of ships in the various search and rescue regions; and provides that technical amendments shall automatically become effective one year after communicated to the parties, unless more than one-third of the parties object. Ex. J. 96th-2d—Resolution of Ratification agreed to July 2, 1980. (*300)

Ocean dumping convention amendments: Provides a system for arbitration and settlement of disputes arising in the interpretation and the application of the 1972 Convention on the Prevention of Marine Pollution by Dumping of Wastes. Ex. I. 96th-1st—Resolution of Ratification agreed to September 17, 1980. (*412)

Pollution from ships prevention convention protocol: Incorporates the 1973 Convention for the Prevention of Pollution from Ships (the acceptance of which has been delayed as a result of Annex II of that agreement which details measures for the control of 250 noxious chemical liquids carried in bulk); provides that parties to the protocol will not be bound by the provisions of the Annex II for a period of three years from the date the protocol enters into force; requires new crude carriers of 20,000 dead weight tons (dwt) and above, and new product carriers above 30,000 dwt to be fitted with protectively-placed segregated ballast tanks; requires existing crude carriers of 40,000 dwt and above to be fitted with segregated ballast tanks, clean ballast tanks or crude oil washing option will lapse after two years for crude carriers of 70,000 dwt and above and after four years for crude carriers of 40,000 to 70,000 dwt; and requires existing produce carriers of 40,000 dwt and above to be fitted with clean or segregated ballast tanks. Ex. C. 96th-1st—Resolution of Ratification agreed to July 2, 1980. (*296)

Psychotropic substances convention: Places psychotropic (mind altering) drugs under international controls which (1) ban the use of hallucinogens except under direct governmental supervision for research purposes in medical or scientific institutions; and (2) require nations to limit by measures they consider appropriate the manufacture, export, import, distribution, use, and possession of all psychotropic substances to medical and scientific purposes. Ex. G. 92d-1st—Resolution of Ratification agreed to March 20, 1980. (*59)

Radio regulations revision: Updates the International Radio Regulations as they apply to aeronautical communication to take into account the present technological state of the art and the increasing demands on these frequencies. Ex. B. 96th-2d—Resolution of Ratification agreed to September 17, 1980. (*410)

Safety of life at sea convention protocol: Improves the international safety standards of ships, beyond the level provided for in the 1974 Safety of Life at Sea Convention, by strengthening the standards governing radar equipment and the inspection and certification for all ships, and the steering mechanism and fire safety systems for tankers in particular; restricts the validity of cargo ship construction certificates to five years without possibility of extension, and increases the frequency of inspection of vessels; requires new and existing tankers to have independently operable remote steering gear control systems; requires all ships to be fitted with at least two radars, each capable of being operated independently of the other; establishes a timetable for fitting the cargo holds of tankers with inert gas systems to minimize the dangers of fire and explosion; and requires that parties apply the requirements of both the Convention and the Protocol to the ships of non-parties to the extent necessary to insure that no more favorable treatment is given to such ships. Ex. D. 96th-1st—Resolution of Ratification agreed to July 2, 1980. (*297)

Salmon fisheries protocol with Canada: Amends the Convention between the United States and Canada to increase the size of the Advisory Committee to the International Pacific Salmon Fisheries Commission from six to seven members from each country, to enable the United States to provide for a native Indian adviser. Ex. G, 95th-1st—Resolution of Ratification agreed to March 20, 1980. (*58)

Treaty with Peru on penal sentences: Permits citizens of either country who have been convicted in the courts of the other nation to serve their sentences in their home country provided the consent of the prisoner and the approval of both governments are obtained; applies these provisions to prisoners who have been convicted and sentenced for an offense which both parties recognize as a crime provided that the prisoner is a national of the receiving state, the sentence is final and all appeal procedures complete, and that the provision of the sentence, excluding the period of confinement, has already been complied with; and makes the treaty not applicable when a prisoner has received the death sentence, been convicted of a purely military offense, or has less than six months remaining to serve at the time the petition for transfer is made. Ex. II, 96th-1st—Resolu-

tion of Ratification agreed to March 25, 1980. (*61)

Venezuelan Maritime Boundary Treaty: Establishes permanent maritime boundaries and eliminates overlapping jurisdictional claims between the United States and Venezuela; and provides that: the parties to the agreements will not claim or exercise for any purposes sovereign rights or jurisdiction over the waters or seabed or subsoil delimited to the other party; the maritime boundaries established shall not affect or prejudice in any manner the position of any Party with respect to the extent of internal waters of the territorial sea, of the high seas or of the sovereign rights or jurisdiction for any other purpose; the maritime boundaries are geodetic lines which connect various points depicted in the treaty and that the coordinates are determined with reference to internationally accepted data and standards; and disputes arising from the interpretation of the treaty will be resolved by negotiations between the two governments. Ex. G, 96th-1st—Resolution of Ratification agreed to September 17, 1980. (*414)

U.S. TERRITORIES

Omnibus territories: Provides for fiscal 1981 and beyond an open ended authorization for the operation of the civil government of the Trust Territory, which includes funds for completion of the capital improvement program, a basic communications system, and a feasibility study and construction of a hydroelectric facility on Ponape; requires the Secretary of the Interior, using existing authorities, to submit to Congress, no later than January 1, 1981, a plan for a comprehensive health care and environmental monitoring program, which is in addition to the existing program under Public Law 95-134, taking into consideration the different needs of Bikini, Eniwetok, Ronglap, and Utirik Atolls in the Northern Marshall Islands which were affected by radiation as a result of U.S. nuclear weapons testing between 1946 and 1958 and authorizes, effective October 1, 1980, from funds authorized to the Department of Energy, such sums as may be necessary to implement the program; amends current law to provide additional warranted compensation for a limited number of persons who were victims of radioactive fallout from the March 1, 1954, thermonuclear detonation at Bikini Atoll in the Marshall Islands; provides for continuance of Federal health and education programs in the Trust territory and their successor governments until terminated by Congress; authorizes $24.4 million to establish a grant program for health care needs of the residents of the Northern Mariana Islands; authorizes the Secretary of Treasury to enter into a contract with the Northern Mariana Islands for the purpose of establishing a local tax code; sets January 1, 1982, as the date of implementation of the new tax code; repeals the prohibition on the award of interest under the Guam Land Claims provisions of Public Law 95-134; forgives the interest on loans made to Guam to assist in the rehabilitation of the island due to damage caused by World War II and Typhoon Karen and credits the interest paid against the outstanding principle; modifies, and extends for ten years, the loan guarantee program for the Guam Power Authority; transfers to the Virgin Islands, certain lands which the U.S. acquired from Denmark and did not reserve or retain in accordance with provisions of Public Law 93-435; and releases the Virgin Islands, upon payment of the outstanding principle, from the mortgage on approximately ten acres of land for construction of the proposed St. Croix Armory; prohibits any change in the existing lease on Water Island before 1992 without Congressional approval; authorizes the U.S. to retain the funds attributable to the cost of collecting customs, duties, and fees on petroleum products between August 18, 1978, and January 1, 1982, with all other deductions remitted pursuant to the Virgin Islands Revised Organic Act; repeals the deficit authorization contained in Public Law 95-348; authorizes the Virgin Islands to levy excise taxes on articles as soon as they are brought into the Islands; directs the Administrator of GSA to transfer to the Virgin Islands, within two years of enactment, title of the former District Building located on Norre Gade; extends the guaranteed bonding authority for the Virgin Islands for five years with a provision that any funds guaranteed but not obligated at the expiration of that period would be returned to the Federal Government; authorizes the Secretary of the Treasury, effective October 1, 1980, to assist the Governor of American Samoa in collecting all customs duties derived from American Samoa; requires the Department of Interior to waive matching requirements on Federal grant programs to the territories; directs Federal agencies to waive any requirement for local matching funds under $100,000 from American Samoa or the Northern Mariana Islands; authorizes the territories to use Federal services on a reimbursable basis; requires the Secretary of the Interior to notify Congress prior to any storage of spent nuclear fuel or radioactive waste in any territory; clarifies Puerto Rico's jurisdiction over its submerged lands; and transfers to Guam, the Virgin Islands, and American Samoa the mineral rights reserved to the Federal Government under the Territorial Submerged Lands Act. H.R. 3756—Public Law 96-205, approved March 12, 1980. (VV)

VETERANS

Interagency medical resources: Clarifies and expands the authority of the Veterans' Administration and the Department of Defense as direct health care providers in order to facilitate Federal interagency sharing of medical care and medical care support resources. S. 2958—Passed Senate September 29, 1980. (VV)

Italian-American War Veterans of the United States, Inc.: Grants a Federal charter to Italian-American War Veterans (IAWV) of the United States, a nonprofit national service organization founded in 1932, comprised of honorably discharged veterans and whose primary objective of stimulating patriotism and good will among veterans through a broad range of community related activities. S. 2542—Passed Senate December 1, 1980. (VV)

Survivors benefits: Amends title 10, U.S.C., to remove certain inequities in the Survivor Benefit Plan (SBP) as follows: Provides that the SBP annuity not be offset by more than 40 percent by social security; conforms the method of calculating the cost to the military member under the SBP to that of the civil service system; provides an annuity to widows or widowers whose spouses died on active duty before September 21, 1972, and who were eligible for retirement at the time of their death; allows totally disabled veterans to suspend payments into the SBP (from which they would receive no benefits in that their dependency and indemnity compensation (DIC) benefits from the VA cancel out their SBP benefits), and eliminates the social security offset for the survivor of a reservist whose combined reserve and civilian earnings exceed the maximum wages subject to social security taxes during all of their military service. S. 91—Public Law 96-402, approved October 9, 1980. (VV)

Veterans disability compensation and housing benefits: Provides, effective October 1, 1980, a (1) 14.3 percent increase in the basic compensation rates for veterans rated 50 percent or more disabled and, for veterans more severely disabled, the annual clothing and dependents allowances, and DIC benefits payable to the surviving spouses and children of veterans whose deaths were service connected, and (2) 13 percent increase in the rates for veterans rated from ten through 40 percent disabled; provides for limited specially adapted housing grants, up to $5,000, and eligibility for direct home loans, to certain veterans who, as a result of a service-connected disability, are totally blind or have lost the use of both upper extremities; permits veterans who have used their VA loan-guaranty entitlement in obtaining a loan for the purchase of a conventional home, condominium, or mobile home to refinance the loan, at a lower interest rate with a VA loan guaranty; increases from $25,000 to $27,500 the maximum VA loan guaranty for a conventional home or condominium and from $17,500 to $20,000 the maximum amount for a mobile home, mobile home lot, or both; extends from September 30, 1981, to September 30, 1985, the VA's authority to maintain a regional office in the Philippines; provides that headstones or markers may be furnished for the grave of a veteran or member of the veteran's immediate family who is buried in a State veterans cemetery; removes, effective October 1, 1980, the prohibition on the concurrent receipt of military retired pay and VA need-based pension benefits; limits DIC benefits payable to a service-connected disabled veteran convicted of a felony and sentenced to prison; makes records and documents created by the VA as part of the agency's medical quality assurance program privileged and confidential and bars their disclosure except in specified circumstances; amends the American Battle Monuments Commission to provide personnel for the care and maintenance of cemeteries overseas where American Servicemen are buried; authorizes the VA to convey to the city of Cheyenne, Wyoming, certain land for the expansion and improvement of a roadway. H.R. 7511—Public Law 96-385, approved October 7, 1980. (VV)

Veterans' health care: Maintains and improves the quality, scope, and efficiency of health-care services provided veterans under the Veterans' Administration health care system;

Health-care personnel amendments: Revises, extends, and improves various VA health-care programs designed to recruit and retain sufficient qualified capable health-care personnel, including physicians, dentists, nursing personnel, allied health personnel, and other employees in the Department of Medicine and Surgery (DM&S) and makes needed improvements in various aspects of the VA's health-care personnel system; increases the rates of special pay for eligible DM&S physicians and dentists by restructuring the computation of such pay, and making the program permanent; allows amounts of special pay received by full-time and part-time dentists to be used for determining amounts of life insurance coverage and for computing an annuity under the civil service personnel system; requires the Administrator to monitor the impact of the special pay authority on the VA's ability to recruit and retain physicians and dentists and to report annually to Congress; removes top DM&S personnel who are hired under the authority of title 38 from coverage by the Senior Executive Service under title 5, U.S.C.; allows the Administrator to assign nurses and other specified personnel to on-call duty on a Federal holiday that falls within a regular workweek; authorizes title 38 premium and overtime pay benefits as now provided to registered nurses and other specified personnel, to be provided to other DM&S personnel determined to be providing either direct patient-care services or services incident to such direct-care services; authorizes the Administrator to adjust the rates of premium and overtime pay for service outside of the normal workday or week paid to nurses and other specified personnel at individual VA health-care facilities when necessary to provide rates competitive with those being paid similar

personnel in non-Federal health-care facilities in the same area; authorizes the Administrator to adjust minimum and maximum rates of pay for DM&S personnel providing either direct patient-care services or services incident to such direct-care services on a nationwide, local, or other geographical basis when necessary; mandates a study to be submitted to the Veterans' Affairs Committees within 18 months of enactment on the need and impact of converting various direct patient-care employees presently employed under title 5, U.S.C., to the title 38 pay and personnel system indicating which, if any, of those personnel should be so converted; requires the VA Chief of Staff to serve on a full-time basis; provides that following enactment, employees serving in the DM&S would accumulate civil service retirement credit for such employment at a rate equal to the percentage of their part-time employment for the VA rather than accumulating, as at present, a full month's retirement credit for each month of part-time service; mandates a pilot program and study of the impact on recruitment and retention of sufficient qualified nursing personnel and requires that a report on the results of the pilot program and study be submitted to Congress 42 months after enactment;

VA health professional scholarship program: Authorizes the VA to provide scholarships to students enrolled in physician, nursing, or other professional health training, as necessary to meet staffing needs in exchange for the student's obligation to serve as a full-time employee in the DM&S for a specified period of time; allows a participant to defer serving his or her obligated service while receiving graduate medical education; establishes an amount for a monthly stipend and a basis to adjust the stipend as required to meet cost-of-living increases; specifies that any program participant may not be obligated for service to the Federal Government under any other program: limits the amount of special pay a program graduate would be eligible to receive during the period of obligated employment; requires the Administrator to report, within 180 days, on the status of steps taken to implement the scholarship program and annually on the program;

Geriatric research and care amendments: Authorizes, subject to appropriation, the establishment of up to 15 geriatric research, education, and clinical centers at VA health-care facilities and specifically outlines the requirements and proposed geographic distribution of these facilities; mandates the establishment of a geriatrics and gerontology advisory committee (GGAC) to advise the Chief Medical Director on all geriatrics and gerontology matters and to report to the Administrator its findings, conclusions, and recommendations regarding the geriatric program and VA health care for older veterans; requires the Administrator to transmit the report along with his comments and recommendations to the appropriate congressional committees within 90 days of its receipt; authorizes $10 million for fiscal 1981 and $25 million each for 1982 through 1984 for the basic support of the research and education activities of geriatric centers excluding the clinical component which would continue to be funded from general medical care appropriations; directs the Chief Medical Director to allocate from funds appropriated generally for VA medical care and medical and prosthetics research to the geriatric centers such amounts as he or she determines appropriate and, with respect to fiscal 1984, as determined in light of the GGAC report; makes geriatric clinical and scientific investigation activities eligible for priority funding from the VA's medical and prosthetics research account; requires that one of the eight Assistant Chief Medical Director positions be filled by a physician trained, or having suitable, extensive experience, in geriatrics, who would be responsible to the Chief Medical Director for all geriatric research, education, and clinical health-care policy and evaluation in the DM&S;

VA health-care costs recovery provisions: Strengthens and clarifies VA authority to recover the costs of veterans' non-service-connected care, in appropriate cases, from workers' compensation carriers, auto no-fault insurers, and States that pay for the costs of health care provided to victims of crimes of personal violence; requires an in-depth study by the VA of extent, scope, and duration of the health-plan coverage of veterans admitted to VA facilities for treatment of non-service-connected disabilities, as well as an analysis by the Library of Congress and CBO of the effect on health insurance premiums and VA and non-Federal administrative costs if legislation to require veterans' private health plan insurance carriers to reimburse the VA for the costs of non-service-connected health care provided to their insureds in VA facilities is enacted; and

Miscellaneous amendments: Limits the presumptive validity of an individual's oath of inability to defray the cost of VA medical care to those individuals eligible to receive medical assistance pursuant to title XIX of the Social Security Act, service-connected disabled veterans, or those receiving a VA pension; permits the VA to enter into long-term leases of up to 50 years with affiliated medical schools; requires notification to the Veterans' Affairs Committees 30 days prior to a transfer of real property valued in excess of $50,000 from the VA to another Federal agency; removes the limit on the number of nursing home beds that may be supported in a State under the VA's State veterans' home program; allows VA revolving supply fund reimbursements to be based on the cost of recent significant purchases of the items involved and provides for return to the Treasury at the end of each fiscal year of only such amounts as the Administrator determines to be in excess of supply fund needs; deletes the requirement that grants for the training of nonphysician health care personnel must result in the expansion of the number of health care personnel being trained by the grant recipient; excludes the VA's beneficiary travel funds from the general executive branch travel and transportation funds; and extends, for one year, until February 1, 1981, the study currently being conducted on hospital and medical care in Puerto Rico and the Virgin Islands. H.R. 7102—Vetoed August 22, 1980. House and Senate overrode veto August 26, 1980. Became Public Law 96-330, without approval August 26, 1980. (*382)

Veterans' health care services: Extends the periods of availability of funds committed under the Veterans' Administration program of assistance to new State medical schools; authorizes the U.S. to recover reasonable costs of care and services for nonservice connected disabilities (1) incurred incident to employment and reimbursable under a workers' compensation plan. (2) resulting from a motor vehicle accident where the owner or operator is insured, or (3) resulting from a crime of personal violence occuring in a State in which injured parties are entitled to receive State-provided services for injuries; and authorizes expansion of the scope of an epidemiological study of the long-term health effects on veterans exposed to Agent Orange to include other herbicides, chemicals, medications, environmental hazards or conditions, and directs the Administrator to develop and publish standards and criteria for resolving benefit claims based on exposure to Agent Orange. H.R. 4015—Passed House June 5, 1979; Passed Senate September 26, 1980. (vv)

Veterans' vocational rehabilitation: Revises chapter 31 to update, improve, and expand the Vocational Rehabilitation Program for service-connected disabled veterans, expands the program to include obtaining and maintaining employment and to enable the veteran to achieve independence in daily living; extends the basic eligibility (delimiting) period for participation in a rehabilitation program from nine to ten years, with authority for the Administrator to extend this period under certain conditions; codifies the requirement that chapter 31 programs be subject to VA approval; provides for an evaluation process to determine whether a service-connected disabled veteran applying for benefits has a serious employment handicap and whether the achievement of a vocational goal is feasible; requires the Administrator to formulate, jointly with a veteran who has been determined to have a serious employment handicap and for whom it has been determined that the achievement of a vocational goal is reasonably feasible, an individualized written plan of vocational rehabilitation; provides for a special "appeal process" if the veteran does not agree to either the plan, its redevelopment, or denial of its redevelopment;

Increases by ten percent the existing monthly subsistence allowance rates for veterans participating in chapter 31 programs, and the maximum amount that may be loaned to a participant; authorizes a subsistence allowance to a veteran participating in a rehabilitation program or extended evaluation and for two post-rehabilitation months for a veteran who has a serious employment handicap and is rehabilitated to the point of employability; authorizes a veteran in extended evaluation on less than a full-time basis to be paid a proportional subsistence allowance; provides that a veteran pursuing on-the-job training or work experience as part of a vocational rehabilitation program in a Federal agency, be paid the appropriate rate for an institutional program;

Authorizes veterans participating in chapter 31 programs, and still eligible for an entitlement to educational assistance benefits under chapter 34 (G.I. Bill), to elect to receive, in lieu of a subsistence allowance and certain other forms of assistance specified in chapter 31, an allowance and assistance equal to that provided to veterans enrolled in training under chapter 34; authorizes payment of room and board expenses in lieu of a subsistence allowance; modifies the methods of paying monthly subsistence allowances to incarcerated veterans and to chapter 31 participants who are receiving care in a hospital, nursing home, or domiciliary facility at VA expense; authorizes advance subsistence allowance payments;

Authorizes the Administrator to prescribe regulations governing leaves for veterans pursuing a rehabilitation program, and promoting satisfactory conduct and cooperation on the part of veterans pursuing a rehabilitation program; authorizes a chapter 31 participant to study outside the U.S.; authorizes the use of various Federal facilities, staff, and resources in providing training or work experience as part of a rehabilitation program; authorizes the Administrator to contract with the VA's Department of Medicine and Surgery for use of their facilities and services in providing rehabilitation; authorizes the employment of additional personnel and experts when necessary;

Requires the Administrator to provide employable, service-connected disabled veterans who participated in a chapter 31 or similar program under the Rehabilitation Act of 1973 with a wide range of employment assistance, including direct placement and utilization of various outreach programs; requires the Administrator to cooperate with SBA to assist veterans in securing loans to purchase equipment and to assure that the special consideration afforded veterans under the Small Business Act is actually provided; requires the Administrator to prescribe regulations to authorize payments to employers to defray their direct expenses resulting from the provision of on-the-job training;

Requires the Administrator to establish qualifications for chapter 31 psychologists and employees responsible for the management and followup of rehabilitation services to veterans who have a serious employment handicap, and to carry out and contract for ongoing research programs to advance the knowledge, methods, techniques, and resources available for use in rehabilitation programs; provides for a four-year pilot program through 1985 of contract independent living services and assistance in various geographic regions for those severely disabled veterans for whom the achievement of a vocational goal is determined not to be reasonably feasible; establishes a Veterans' Advisory Committee on Rehabilitation to assess and review VA rehabilitation programs; requires a comprehensive diagnostic evaluation of a service-connected disabled veteran following the adjudication of a disability compensation claim for a 100 percent disability rating on the basis of the veterans' individual unemployability, if there appears to be potential for vocational rehabilitation and employment;

Employment and education: Requires the Administrator, in cooperation with the Secretary of Labor, to actively promote the development and establishment of employment, training, and other employment-related opportunities for veterans; makes the Administrator directly responsible and accountable for the promotion, development, and approval of on-the-job training programs for GI Bill benefits; streamlines and updates the provisions setting forth the criteria for approval of on-the-job training programs; requires the Department of Labor to provide direct secretarial support to veterans' employment representatives assigned to the States; establishes a new Veterans' Employment and Training Outreach Program modeled after the successful Disabled Veteran Outreach Program; provides, effective January 1, 1981, a 10 percent cost-of-living increase in rates of educational assistance and training allowances paid to veterans and eligible persons training under chapters 34, 35 (Survivors and Dependents Educational Assistance Program), and 36 (Administration of Educational Benefits) in lieu of the 15 percent increase approved by the Senate in Title I of H.R. 5288 on January 24, 1980;

Debt collection: Sets forth a procedure for VA collection of debts through deductions from future payments; directs the Administrator to bring suits to recover any debts owed by participants in VA programs; calls for a report describing efforts to implement these provisions; permits the disclosure of amounts paid to beneficiaries of VA programs and permits publication of this information if it is determined to be in the public interest;

Health care cost recovery: Authorizes the U.S. to recover reasonable costs of care and services for nonservice connected disabilities (1) incurred incident to employment and reimbursable under a workers' compensation plan, (2) resulting from a motor vehicle accident where the owner or operator is insured, or (3) resulting from a crime of personal violence occurring in a State in which injured parties are entitled to receive State-provided services for injuries;

Agent Orange: Authorizes expansion of the scope of an epidemiological study of the long-term health effects on veterans exposed to Agent Orange to include other herbicides, chemicals, medications, environmental hazards or conditions, and directs the Administrator to develop and publish standards and criteria for resolving benefit claims based on exposure to Agent Orange. S. 1188—Passed Senate September 4, 1980. Note: (The vocational rehabilitation provisions are contained in H.R. 5288 which became Public Law 96-466, and the provisions on health care cost recovery and Agent Orange are contained in H.R. 4015 as a Senate amendment.) (*389)

Vocational rehabilitation—G.I. bill amendments: Comprehensively restructures the VA rehabilitation programs under chapter 31 of title 38, U.S.C., generally as passed by the Senate in S. 1188 but provides for a 17 percent rather than a ten percent cost-of-living increase in the subsistence allowance rate and a 12-year rather than ten-year basic period of eligibility;

GI bill: Provides for a ten-percent cost-of-living increase in GI benefits during fiscal 1981—half to be effective on October 1, 1980, and the remainder on January 1, 1981; limits the time during which a veteran may apply for an extension of the ten-year delimiting period for educational benefits on the grounds of a disability by requiring that an application be made within one year after (a) the last date of the otherwise applicable delimiting period, (b) the termination of the disability, or (c) the effective date of this bill, whichever is latest; codifies the current suspension of the inclusion of students who receive Federal, non-VA assistance in the computations of compliance with the so-called "85-15" rule, under which enrollment of GI Bill trainees is prohibited in courses where more than 85 percent of the enrollees receive assistance from the educational institution, the VA, or any other Federal agency; repeals the provision linking "satisfactory progress" with the time it takes to complete an educational program; clarifies and codifies current practices related to receipt of GI Bill benefits for enrollment in an institution of higher learning in a foreign country and for computation of GI Bill benefits and charges to a veteran's entitlement for less than half-time training and training while on active duty, courses pursued by open circuit television, and independent study; strengthens debt collection provisions and authorizes and establishes a new Department of Labor-supported, State-operated veterans' employment and training outreach program (VETOP); disclosure of certain information to consumer reporting agencies for the purpose of VA debt collection and program study; requires the VA to offset indebtedness against future benefit payments; reduces from 90 to 60 percent that portion of the cost of a flight training course that the VA will pay; makes veterans pursuing flight training courses eligible for VA educational loans of up to $2,500 per year; provides for reimbursing a veteran at 70 percent instead of 90 percent of the cost of correspondence course training. H.R. 5288—Public Law 96-466, approved October 17, 1980. (*9)

WW II U.S. Submarine Veterans, Inc.: Grants a Federal charter to a nonprofit national service organization founded in 1955, comprised of American veterans who served in submarines in World War II, and whose primary objective is to keep alive the spirit that existed during the war when such a great impact was made by their actions, and to erect memorials to those who served aboard U.S. submarines and gave their lives in submarine warfare during the war. S. 2623—Passed Senate August 18, 1980. (VV)

CONSERVATION AND ENHANCEMENT OF SALMON AND STEELHEAD RESOURCES IN THE STATE OF WASHINGTON

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. MAGNUSON, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 2163.

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States:

Resolved, That the bill from the Senate (S. 2163) entitled "An Act to provide for the conservation and enhancement of the salmon and steelhead resources of Washington State, assistance to the treaty and nontreaty harvesters of those resources, and for other purposes", do pass with the following amendments:

Strike out all after the enacting clause, and insert:

SECTION 1. FINDINGS, PURPOSES, AND POLICY.

(a) FINDINGS.—The Congress finds and declares the following:

(1) The stocks of salmon and steelhead which originate in the rivers of the conservation areas constitute valuable and renewable natural resources. Many groups of commercial, recreational, and treaty fishermen have historically depended upon these stocks of fish for their livelihoods and avocations. These fishery resources contribute to the food supply and economic health of the Pacific Northwest and Nation as a whole, provide valuable recreational experiences for thousands of citizens from various parts of the United States, and represent a central element of the cultures and economies of Indian tribes and the citizens of the Pacific Northwest.

(2) Over a period of several decades, competing uses of salmon and steelhead habitat and historical problems relating to conservation measures, the regulation of harvest, habitat management, and enhancement has depressed several of these stocks of salmon and steelhead.

(3) Improved management and enhancement planning and coordination among salmon and steelhead managers will help prevent further decline of salmon and steelhead stocks and will assist in increasing the supply of these stocks.

(4) The fishing capacity of nontreaty fishermen in the conservation areas established by this Act exceeds that required to harvest the available salmon resources. This excess capacity causes severe economic problems for these fishermen.

(5) The ability of the Klamath River and Treaty Tribes to enhance the salmon and steelhead resources passing their usual and accustomed fishing grounds is hindered by the lack of sufficient financial resources.

(6) The supply of salmon and steelhead can be increased through carefully planned enhancement measures designed to improve the survival of stocks and augment the production of artificially propagated stocks. By

careful choice of species, areas, and stocking procedures, enhancement programs can be used to—

(A) restore stocks through remedial actions to compensate for declines in resource production resulting from overfishing and environmental degradation;

(B) improve the distribution of fish among different groups of fishermen; and

(C) add stability to the fishery by reducing variations in fish availability.

(7) The decisions in the cases of the United States against Washington and Sohappy against Smith have resulted in temporary economic dislocation in the salmon fishery.

(b) PURPOSES AND POLICY.—It is therefore declared to be the purposes and policy of the Congress in this Act that—

(1) the various salmon and steelhead managers should coordinate their activities to ensure the effective conservation of the salmon and steelhead in the conservation areas;

(2) it is in the national interest to increase the supply of, and provide for the long-term conservation and optimum production of, the salmon and steelhead resources of the conservation areas and to minimize significant adverse interaction between naturally spawning and artificially propagated stocks;

(3) Federal financial assistance should be provided for the enhancement of salmon and steelhead resources within the conservation areas;

(4) the economic well-being of treaty and non-treaty commercial fishermen be improved and the recreation fishing opportunity for salmon and steelhead be enhanced; and

(5) all commercial and recreation fishermen and the Klamath River and Treaty tribes within the conservation areas shall have a reasonable opportunity to participate in the benefits, considered as a whole, of the enhancement program, consistent with other applicable law.

SEC. 2. DEFINITIONS.

As used in this Act—

(1) The term "Columbia River Tribe" means any of the following:

(A) The Confederated Tribes and Bands of the Yakima Indian Nation of Washington.

(B) The Confederated Tribes of the Warm Springs Indian Reservation of Oregon.

(C) The Confederated Tribes of the Umatilla Indian Reservation of Oregon.

(D) The Nez Perce Tribe of Idaho.

(E) Any other Indian tribe whose fishing rights in the Columbia River drainage basin—

(i) derive from a treaty between it and the United States, and

(ii) have been recognized by a Federal court.

(2) The term "Columbia River management party" refers to the following:

(A) The State of Washington.

(B) The State of Oregon.

(C) A coordinating body duly authorized by the Columbia River Tribes.

(D) The Pacific Fishery Management Council established under section 302 of the Fishery Conservation and Management Act of 1976.

(3) The term "Columbia River conservation area" means—

(A) all habitat within the Columbia River drainage basin, and

(B) those areas in—

(i) the fishery conservation zone over which the Pacific Fishery Management Council has jurisdiction, and

(ii) the territorial sea of Oregon or Washington,

in which one or more stocks that originate in the habitat described in subparagraph (A) migrate.

(4) The term "conservation and management" refers to all of the rules, regulations, conditions, methods, and other measures which are—

(A) required to rebuild, restore, or maintain, or which are useful in rebuilding, restoring, or maintaining, any fishery and the related habitat; and

(B) designed to assure that—

(i) a supply of food and other products may be taken and that recreational benefits may be obtained, on a continuing basis,

(ii) irreversible or long-term adverse effects on the fishery and the related habitat are avoided, and

(iii) there will be a multiplicity of options available with respect to future uses of the fishery and the related habitat.

(5) The term "enhancement project" means one or more specific activities undertaken to increase the survival or production of one or more stocks.

(6) The term "fishery" means one or more stocks which can be treated as a unit for purposes of conservation and management and which are identified on the basis of geographical, scientific, technical, recreational, and economic characteristics.

(7) The term "habitat" means those portions of land or waters, including the constituent elements thereof—

(A) which one or more stocks occupy at any time during their life cycle, or

(B) which affect one or more stocks.

(8) The term "Klamath River conservation area" means—

(A) all habitat within the Klamath River drainage basin, and

(B) those areas in—

(i) the fishery conservation zone over which the Pacific Fishery Management Council has jurisdiction, and

(ii) the territorial sea of California,

in which one or more stocks that originate in the habitat described in subparagraph (A) migrate.

(9) The term "Klamath River management party" refers to the following:

(A) The State of California.

(B) The counties of Del Norte, Humboldt, Trinity, and Siskiyou, California.

(C) The Klamath River Tribes.

(D) The Pacific Fishery Management Council.

(10) The term "Klamath River Tribes" means the Hoopa Valley Tribe of the Hoopa Valley Reservation; the Karok Tribe; and the Yurok Tribe of the Hoopa Valley Reservation, all in the State of California.

(11) The term "optimum", with respect to the yield from a fishery, means an amount of the salmon or steelhead therefrom which—

(A) is consistent with applicable law;

(B) will provide the greatest overall benefit to the Nation, with particular reference to food production and recreational opportunities; and

(C) is prescribed as such on the basis of the maximum sustainable yield from such fishery, and the escapement goals for the various stocks as modified by any relevant economic, social or ecological factors.

(12) The term "salmon" means any anadromous species of the family Salmonidae and Genus Oncorhynchus, commonly known as Pacific salmon.

(13) The term "Secretary" means the Secretary of Commerce.

(14) The term "steelhead" means the anadromous rainbow trout species Salmo gairdneri, commonly known as steelhead.

(15) The term "stock" means any species, subspecies, race, geographical grouping, population, run, or other category of salmon or steelhead that is capable of being managed as a unit.

(16) The term "Treaty Tribe" means any Columbia River Tribe or Washington Tribe.

(17) The term "Washington conservation area" means—

(A) all habitat within the State of Washington other than the Columbia River drainage basin, and

(B) those areas in the fishery conservation zone referred to in paragraph (3)(B) over which the Pacific Fishery Management Council has jurisdiction and in which one or more stocks that originate in the habitat described in subparagraph (A) migrate.

(18) The term "Washington management party" refers to—

(A) The State of Washington.

(B) A coordinating body duly authorized by the Washington Tribes.

(C) The Pacific Fishery Management Council.

(19) The term "Washington Tribe" means any Indian tribe recognized by the United States Government, with usual and accustomed fishing grounds within the State of Washington (other than the Columbia River drainage basin), whose fishing rights therein derive from a treaty between it and the United States and have been recognized by a Federal court.

TITLE I—MANAGEMENT AND ENHANCEMENT OF SALMON AND STEELHEAD

CHAPTER 1—COMMITTEES AND PLANS

SEC. 101. JOINT SALMON AND STEELHEAD MANAGEMENT COMMITTEES.

(a) ESTABLISHMENT.—If before the one hundred and eightieth day after the date of enactment of this Act—

(1) each Columbia River management party notifies the Secretary in writing that it wishes to be a member of the Joint Columbia River Salmon and Steelhead Management Committee (hereinafter in this Act referred to as the "Columbia River Committee"), there is established, effective on and after the day on which the last of such notifications is received, such committee;

(2) each Washington management party notifies the Secretary in writing that it wishes to be a member of the Joint Washington Salmon and Steelhead Management Committee (hereinafter in this Act referred to as the "Washington Committee"), there is established on and after the day on which the last of such notifications is received, such committee; and

(3) each Klamath River management party notifies the Secretary in writing that it wishes to be a member of the Joint Klamath River Fisheries Conservation Committee (hereinafter referred to as the "Klamath River Committee"), there is established, effective on and after the day on which the last of such notifications is received, such committee.

(b) MEMBERSHIP AND PROCEDURE.—(1) The Columbia River Committee shall consist of four members. The Washington Committee shall consist of three members. The Klamath River Committee shall consist of nine members. Each constituent management party of each such committee shall be responsible for the selection and appointment of one member, and the appropriate officer of such party shall certify the appointment to the Secretary: Provided, That the Secretary of the Interior, after consultation with appropriate organizations and groups of Yurok Indians, shall appoint a member to the Klamath River Committee to represent the Yurok Tribe until such time as the Yurok Tribe organizes a tribal government and appoints its own member: Provided further, That the member appointed by the Secretary of the Interior to represent the Yurok Tribe shall have full authority to act for the Yurok Tribe as provided in this Act.

(2) Each such committee shall have a chairman, the term of office of which is one year. The members of each committee shall fill the office of chairman on a rotating basis. The sequence of rotation shall be determined by the committee by lot.

(3) Each such committee shall meet at the call of the chairman or, in the case of the Columbia River Committee, upon the demand of at least three voting members and, in the case of the Washington Committee, upon the demand of at least two voting

members and, in the case of the Klamath River Committee, upon the demand of five voting members.

(c) FUNCTIONS.—The functions of the Columbia River, Klamath River, and Washington Committees are to prepare, review, and, if necessary amend, in accordance with section 102, a management plan, and an enhancement plan, for their respective conservation areas.

(d) PER DIEM AND TRAVEL ALLOWANCES.—The members of each committee (other than those who are full-time employees of the Federal or a State government), while away from their homes or regular places of business for purposes of carrying out their duties as members, shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons intermittently employed in Government service.

(e) ADMINISTRATIVE SUPPORT.—The Secretary shall provide such clerical and technical support as may be necessary to enable each committee to carry out its functions.

(f) SPECIAL PROVISIONS.—Any Klamath River Tribe or Treaty Tribe electing to not be represented on its respective management committee shall not be bound by any management plan or enhancement plan developed by such committee and will not be eligible to receive enhancement assistance provided in this Act.

SEC. 102. MANAGEMENT PLANS AND ENCHANCEMENT PLANS.

(a) MANAGEMENT PLANS STANDARDS.—Each committee referred to in section 101(a), in preparing a management plan, and amendments thereto, for its respective conservation area shall apply conservation and management measures that shall—

(1) prevent overfishing and provide for—

(A) optimum production, and

(B) on a continuing basis, an optimum yield from the fishery;

(2) be based upon the best scientific information available;

(3) to the extent practicable, provide for the management of each individual stock as a unit throughout its range, and interrelated stocks may be managed as a unit or in close coordination;

(4) not discriminate between residents of different States. If it becomes necessary to allocate or assign fishing privileges among various United States fishermen, such allocation shall be—

(A) fair and equitable to all such fishermen;

(B) reasonably calculated to promote conservation; and

(C) carried out in such a manner that no particular individual, corporation, or other entity acquires an excessive share of such privileges;

(5) Where practicable, promote efficiency in the utilization of the fishery and the related habitat, except that such measures may not have economic allocation as their sole purpose;

(6) take into account and allow for variations among, and contingencies in, fisheries and catches;

(7) where practicable, minimize costs and avoid unnecessary duplication; and

(8) notwithstanding any of the above measures, provide for the harvest of shares in accordance with treaty or other federally protected Indian rights unless agreed otherwise by all affected parties.

(b) ENHANCEMENT PLAN STANDARDS.—Each such committee, in preparing an enhancement plan, and amendments thereto, for its respective conservation area, shall set forth enhancement projects that shall—

(1) assure that all commercial and recreational fishermen and the Klamath River Tribes and Treaty Tribes within the conservation area shall have a reasonable opportunity to participate in the benefits, considered as a whole, of such projects;

(2) provide for the long-term conservation and optimum production of the salmon and steelhead resources of the conservation area and minimize to the extent practicable significant adverse interaction between naturally spawning and artificially propagated stocks;

(3) be designed to complement the contribution of existing sound State, Federal, and tribal enhancement activities; and

(4) be economically and biologically sound, and supported by adequate scientific research, and achieve significant benefits relative to their overall cost.

(c) PLAN CONTENTS.—(1) Each management plan, with respect to a fishery, shall contain the conservation and management measures necessary or appropriate for the conservation and management of the fishery that are consistent with the standards set forth in subsection (a) and any other applicable law, including, but not limited to—

(A) a description of the fishery, including, but not limited to, the number of vessels involved, the type and quantity of fishing gear used, the cost likely to be incurred in its management, any recreational interests in the fishery, and the nature and extent of foreign fishing and the fishing rights of the Klamath River Tribes and Treaty Tribes therein; and

(B) an assessment and specification of the present and probable future condition of, and the maximum sustainable yield, the optimum yield, and the optimum production from, the fishery, which specification shall include a summary of the information utilized in making it; and

(2) Each enhancement plan shall set forth such enhancement projects to be carried out within the conservation area as are necessary or appropriate.

(d) DISCRETIONARY MEASURES.—(1) The conservation and management measures included within a management plan for a fishery may include—

(A) the designation of zones where, and periods when, fishing in the fishery shall be limited, or shall not be permitted, or shall be permitted only by specified types of fishing vessels or with specified types and quantities of fishing gear;

(B) the establishment of specified limitations on the catch of salmon or steelhead (based on area, species, size, number, weight, sex, incidental catch, total biomass, or other factor) which are necessary or appropriate for the conservation and management of the fishery; and

(C) prohibitions, limitations, conditions, or requirements on the use of specified types and quantities of fishing gear, fishing vessels, including such devices which may be required to facilitate enforcement of the plan; and

(2) All such discretionary measures shall be consistent with legal requirements relating to the regulation of treaty or other federally protected Indian fisheries.

(e) REVIEW AND AMENDMENT OF PLAN.—If a management plan or an enhancement plan enters into force and effect as provided for under section 103, the Columbia River, Klamath River, or Washington Committee, as the case may be, shall on a continuing basis review the sufficiency and effect of the plan in the light of actual implementation, enforcement, conservation and management and enhancement experience and determine if any amendment of the plan is necessary. Such committee shall submit amendments deemed necessary by it to the Secretary for approval under section 104.

SEC. 103. TAKING EFFECT OF PLANS

(a) ENHANCEMENT PLANS.—An enhancement plan provided for under section 102 shall enter into force and effect with respect to the respective management parties of the committee concerned, and chapter 2 shall take effect for purposes of assisting in the implementation of such plan, only if—

(1) the enhancement plan is unanimously agreed to by the committee; and

(2) such plan is approved pursuant to section 104.

(b) MANAGEMENT PLANS.—A management plan provided for under section 102 shall enter into force and effect with respect to the respective management parties of the committee concerned, and chapter 2 of this title shall take effect for purposes of assisting in the implementation of such plan, only if—

(1) the management plan is unanimously agreed to by the committee;

(2) such plan is approved pursuant to section 104; and

(3) a formal agreement, to which each management party is signatory, is entered into under which each such party mutually obligates itself throughout the ten-year period beginning on the date of such approval—

(A) to implement and enforce the provisions of the plan and amendments thereto, through laws, regulations, ordinances, or other appropriate means, within such geographical areas and with respect to such persons as may be subject to its jurisdiction and to the extent of its enforcement power,

(B) to engage in such coordination and consultation, through the committee or otherwise, as may be necessary or appropriate to ensure, to the maximum extent practicable, that the plan is fully and efficiently implemented and to carry out the requirements relating to plan review and amendment set forth in section 102(e), and

(C) not to withdraw from participation in the plan unless all other management parties unanimously agree to so withdraw.

The formal agreement referred to in paragraph (3) may provide, and establish appropriate procedures, for the arbitration of disputes among the parties thereto relating to the carrying out of their obligations under the agreement.

(c) AMENDMENTS TO PLAN.—No amendment to the plan shall have force and effect unless the amendment—

(1) is unanimously agreed upon by the respective management parties; and

(2) is approved under section 104.

SEC. 104. APPROVAL OF PLANS AND AMENDMENTS.

(a) IN GENERAL.—Any management plan, enhancement plan, or amendments to either prepared by the Columbia River, Klamath River, or Washington Committee shall be treated as having been approved by the Secretary unless, within the one-hundred-and-twenty-day period after the day on which the plan or amendments are submitted to the Secretary by such committee, the Secretary finds, and publishes notification in the Federal Register, before the close of such period that the plan or amendment is not consistent with the appropriate standards and requirements set forth in section 102. The Secretary shall include in such notification the reasons for such finding. If the Secretary considers that the plan or amendments are consistent with such standards and requirements, he may publish notification to that effect in the Federal Register.

(b) COMMITTEE ACTION UPON DISAPPROVAL.—If the Secretary disapproves the plan or amendments thereto, the committee concerned may undertake either or both of the following actions:

(1) Prepare a plan or amendments after taking into account the reasons for disapproval.

(2) Seek appropriate judicial review of the Secretary's disapproval.

(c) DATE OF APPROVAL.—For purposes of this chapter, the date of approval of a management plan, enhancement plan, or amendments is, as the case may be—

(1) the expiration of the one-hundred-and-twenty-day period referred to in subsection (a); or

(2) the date on which notification of approval is published in the Federal Register.

SEC. 105. EFFECT OF PLAN ON CERTAIN REQUIREMENTS UNDER THE FISHERY CONSERVATION AND MANAGEMENT ACT OF 1976.

Nothing in this Act shall be construed as affecting the provisions of title III of the Fishery Conservation and Management Act of 1976 as it applies with respect to fishery management plans and their application to any fishery; except that—

(1) the Pacific Fishery Management Council shall prepare such amendments to the fishery management plan as may be necessary or appropriate to make that plan consistent with any management plans and their application effect under this title;

(2) for purposes of such preparation, and Secretarial review pursuant to such title III, the management plan standards and requirements set forth in section 102 shall apply rather than those in such title;

(3) the Secretary may not partially disapprove any amendment prepared by the Council to carry out paragraph (1); and

(4) the Secretary may not prepare, under section 304(c) of such Act of 1976, any amendment required to be made by the Council by paragraph (1).

CHAPTER 2—FINANCIAL ASSISTANCE FOR ENHANCEMENT

SEC. 121. AUTHORITY TO MAKE GRANTS.

Upon approval of an enhancement plan of the Columbia River, Klamath River, or Washington Committee, the Secretary shall make grants to management parties and Klamath River Tribes and Treaty Tribes concerned to assist them to carry out, in whole or part, the enhancement projects specified in the plan. In deciding whether to make grants under this chapter, the Secretary shall take into consideration whether similar projects are being carried out under Federal, State, or private auspices.

SEC. 122. TERMS AND CONDITIONS.

Each grant made under this chapter shall contain such terms and conditions as the Secretary shall by regulation prescribe as being necessary or appropriate to implement the limitations in sections 123 and 124 and to otherwise protect the interests of the United States.

SEC. 123. GRANT LIMITATIONS.

(a) IN GENERAL.—The amount of any grant made under this chapter may not exceed one-half of the estimated cost of the enhancement project for which it is made; except that—

(1) grants for up to 100 percentum of the cost of the projects may be made to Klamath River Tribes and Treaty Tribes; and

(2) the State of Washington shall be treated on the date this chapter enters into effect with respect to it as having expended $32,000,000 (reduced by the amount treated as expended by the State under section 207 of this Act) on enhancement projects set forth in the plan which are eligible for assistance under this chapter.

(b) SPECIAL PROVISIONS.—(1) No Klamath River Tribe or Treaty Tribe is eligible for assistance under this chapter after a management plan affecting such tribe is approved under section 104 unless it enters into a written commitment, satisfactory to the Secretary, to participate, in good faith, in the implementation and enforcement of the management plan to the extent of its ability and jurisdiction.

(2) No management party or Klamath River Tribe or Treaty Tribe is eligible for assistance under this chapter unless it agrees not to undertake any enhancement project not specified in the enhancement plan if that project is inconsistent with such plan or with the management plan, if any, applicable to it.

(c) IN-KIND CONTRIBUTIONS.—In computing the estimated cost of any enhancement project, the Secretary shall take into account, in addition to cash outlays to be made by the grant recipient, the value of such in-kind contribution (including, but not limited to, personal services) and real and personal property applied by the recipient in carrying out the project. The Secretary shall establish by regulation the standards under which the value of in-kind contributions and real and personal property will be determined for purposes of this subsection. Any valuation determination made by the Secretary for purposes of this subsection shall be conclusive.

SEC. 124. TERMINATION OR SUSPENSION OF ASSISTANCE UNDER CHAPTER.

(a) TERMINATION FOR REASON OF WITHDRAWAL FROM AGREEMENT.—If—

(1) a management plan for the Columbia River, Klamath River, or Washington Committee is not approved under section 104 within 18 months after the date on which an enhancement plan is approved under such section for that committee;

(2) the Secretary finds that the management parties have unanimously agreed to withdraw from participation in the plan before the termination of the 10-year period referred to in section 103(b)(3); or

(3) the Secretary finds that one or more management parties have not carried out their obligations under the agreement referred to in section 103(b)(3), or that one or more Klamath River Tribes or Treaty Tribes have not carried out their commitments referred to in section 123(b)(1) with the result that the management plan concerned can no longer be implemented appropriately;

then effective on and after that date of such notification, the Secretary may not—

(A) receive applications for grants under this chapter;

(B) further process applications received, but not finally acted on, before such date; or

(C) disburse any moneys under this chapter.

(b) OTHER TERMINATION AND SUSPENSION.—(1)—If the Secretary finds that—

(A) any management party or Klamath River Tribe or Treaty Tribe has failed to, or is not satisfactorily carrying out, the terms or conditions of a grant made under this chapter;

(B) any Klamath River Tribe or Treaty Tribe is not fulfilling its commitment entered into under section 123(b)(1); or

(C) any management party or Klamath River Tribe or Treaty Tribe is not fulfilling its commitment entered into under section 123(b)(2);

the Secretary may, as the circumstances require, refuse to award a grant or suspend or terminate the disbursement of moneys under the grant.

(2) No action may be taken by the Secretary under paragraph (1), or under subsection (a)(3), unless the Secretary gives the party or tribe concerned notice of the proposed action and the reasons therefor, and a reasonable opportunity to take corrective action.

SEC. 125. AUDIT.

Each recipient of a grant under this chapter shall make available to the Secretary and to the Comptroller General of the United States for purposes of audit and examination, any book, document, paper, and record that is pertinent to the funds received under the grant.

SEC. 126. AUTHORIZATION OF APPROPRIATIONS.

(a) For purposes of carrying out this chapter (including, but not limited to, the operation and maintenance of enhancement facilities) there are authorized to be appropriated not to exceed $45,000,000 for the ten-year period beginning on October 1, 1981 for the Washington conservation area; not to exceed $25,000,000 for the ten-year period beginning on such date for the Columbia River conservation area; and not to exceed $15,000,000 for the ten-year period beginning on such date for the Klamath River conservation area.

(b) In addition to the amounts authorized under subsection (a) there are authorized to be appropriated to carry out steelhead enhancement projects (including, but not limited to operation and maintenance of enhancement facilities) not to exceed $7,000,000 for the ten-year period beginning on October 1, 1981, for the Washington conservation area; and not to exceed $7,000,000 for the ten-year period beginning on such date for the Columbia River conservation area.

TITLE II—COMMERCIAL FISHING FLEET ADJUSTMENT

SEC. 201. FLEET ADJUSTMENT PROGRAM.

(a) IN GENERAL.—The Secretary, upon approval of a program submitted pursuant to section 203 of this title, is authorized to distribute Federal funds to the State of Washington (hereinafter in this title referred to as the "State"), subject to the standards, conditions, and restrictions set forth in this title, for the purchase of commercial fishing and charter vessels (including the associated fishing gear) and licenses by the State in accordance with the provisions of this title. The Federal share payable under this title shall not exceed 75 per centum in any fiscal year of the total cost of the program in that fiscal year.

(b) LEGAL TITLE.—Title to any vessel or other personal property purchased under a State program approved by the Secretary in accordance with the provisions of this title shall vest upon purchase in the State. If the State sells such vessels or other property, title may pass in accordance with such sale.

SEC. 202. STANDARDS.

The State shall submit to the Secretary a program within three months of the date of enactment of this Act designed to—

(1) provide incentives for early retirement of licenses, or early sale of vessels;

(2) set aside specific allocations of funds for each gear type to achieve the specific fleet reductions provided for in the program;

(3) obtain an effective and expeditious reduction in the overall fishing capacity of and the number of vessels and licenses in the non-Indian commercial and charter salmon fishing fleets in the Washington conservation area; and

(4) provide State funding for 25 per centum of the total cost of the program.

SEC. 203. PROGRAM APPROVAL.

(a) SUBMISSION FOR APPROVAL.—The State shall submit its program and submit revisions, modifications, or amendments to the Secretary in accordance with standards established pursuant to section 202 and in such manner and form as the Secretary shall prescribe.

(b) REQUIREMENTS FOR APPROVAL.—Prior to approving such program or any revision, modification, or amendment, and authorizing Federal funds to be distributed in accordance with this title, the Secretary must find that—

(1) the State, acting through its chosen agency or agencies, has authority to carry out a commercial and charter vessel fleet reduction program in accordance with the provisions of this title;

(2) the State program provides that a fishing or charter vessel may not be purchased by the State from other than the person who owned the vessel on the date of the enactment of this Act;

(3) the State program prevents the expenditure of disproportionate amount of funds available for vessel acquisition on vessels owned by any one person;

(4) the State program prohibits the purchase of any fishing or charter vessel unless all State commercial and charter salmon

fishing licenses attached to the vessel are also sold to the State;

(5) the State program provides that no person may purchase from the State any vessel which that person or a member of that person's immediate family had previously sold to the State;

(6) the State program provides that no person may purchase any vessel sold to the State pursuant to the program and use such vessel for commercial or charter salmon fishing in the Washington conservation area, unless State law provides that the use of such vessel could not result in any additional fishing effort in the non-Indian fishing fleet;

(7) the State program provides for purchase of vessels at their fair market value;

(8) the State program provides for the reduction of salmon fishing licenses, through purchase of such licenses at their fair market value, and the use of bonuses and schedule, to—

(A) secure an early retirement from the salmon fishery;

(B) recognize productiveness if the commercial harvesters using a gear type wish that gear type's specific allocation of funds to recognize productiveness; and

(C) recognize passenger-carrying capacity for charter fishing licenses;

(9) the State program provides, with respect to marginally productive commercial salmon fishermen, for the purchase of their salmon fishing licenses, but not their fishing vessels;

(10) the State will not, during the five-year period beginning on the date of enactment of this Act, issue any new commercial or charter salmon fishing license;

(11) the State has established a revolving fund for the operation of the fleet reduction program that includes an individual account for each category of fishing license (based on type of fishing gear used) and that any moneys received by the State or its agents from the resale of any fishing vessel or gear purchased under the program (A) shall be placed in such revolving fund, (B) shall, for at least three years from the date of the program's inception, be placed in the appropriate individual account, and (C) shall be used exclusively to purchase commercial fishing and charter vessel and license in accordance with the provision of this title; and

(12) the State will notify the Secretary of the termination date of the State program and will pay to the United State Treasury an amount equal to 75 per centum of the balance, on such termination date, of the revolving fund referred to in paragraph (11).

(c) SECRETARIAL ACTION.—The Secretary shall approve such program within ninety days of the date of receipt of the program if found to be consistent with this Act and other applicable law. If the Secretary finds that such program is not in conformity with the provisions of this Act or other applicable law, he shall return such program to the State with recommendations. Any revision, modification, or amendment to the program shall be approved within thirty days of receipt unless found to be inconsistent with this Act or other applicable law.

SEC. 204. REVIEW BY SECRETARY.

(a) IN GENERAL.—The Secretary shall conduct a continuing review of the State program to determine wether the program remains consistent with this Act or other applicable law. Such review shall include a biennial audit of the records of the State program.

(b) ACTION UPON FINDING OF NONCOMPLIANCE.—If the Secretary finds that the program or the administration thereof is no longer in compliance with this title, he shall reduce or discontinue distribution of funds under this title, or take other appropriate action.

(c) DISPOSITION OF CERTAIN MONEYS.—If the Secretary finds that any money provided to the State or obtained by the State from the resale of any fishing or charter vessel purchased under the program is not being used in accordance with the provisions of this title, the Secretary shall recover from the fund, and place in the United States Treasury, such moneys.

SEC. 205. FLEET MOBILITY.

The Secretary in coordination with the Pacific Fishery Management Council in its salmon management plan shall ensure that the fishing effort reduction that results from the fleet adjustment program of this title and the license moratorium of the State is not replaced by new fishing effort from outside the State.

SEC. 206. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary, for the purposes of carrying out the provisions of this title, $37,500,000 for the five-year period beginning October 1, 1981.

SEC. 207. SPECIAL PROVISION.

On the date the Secretary approves the program under section 203, the State shall be treated as having expended such portion of $32,000,000 as the State deems appropriate for purposes of implementing the program.

TITLE III—MISCELLANEOUS

SEC. 301. REGULATIONS.

The Secretary may promulgate such regulations, in accordance with section 553 of title 5, United States Code, as may be necessary to carry out this Act.

SEC. 302. REPORTS.

The States of Washington, Oregon, and California and the tribal coordinating bodies referred to in section (2)(2)(C) and (18)(B) shall submit to the Secretary an annual report on the status of the program authorized by this Act or any other relevant report requested by such Secretary.

SEC. 303. RELATION TO OTHER LAWS.

Nothing in this Act shall be construed—

(1) to diminish Federal, State, or tribal jurisdiction, responsibility, or rights in the field of resource enhancement and management, or control of water resources, submerged lands, or navigable waters; nor to limit the authortiy of Congress to authorize and fund projects; or

(2) as superseding, modifying, or repealing any existing applicable laws, except as provided for in section 105 of this Act.

Amend the title so as to read: "An Act to provide for the conservation and enhancement of the salmon and steelhead resources of the United States, assistance to treaty and nontreaty harvesters of those resources, and for other purposes.".

UP AMENDMENT NO. 1818

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate concur in the amendments of the House with further amendments which I send to the desk on behalf of Mr. MAGNUSON and Mr. RANDOLPH.

The PRESIDING OFFICER. The amendments will be stated.

The assistant legislative clerk read as follows:

The Senator from West Virginia (Mr. ROBERT C. BYRD), on behalf of Messrs. MAGNUSON and RANDOLPH, proposes an unprinted amendment numbered 1818.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

TITLE I—CONSERVATION AND ENHANCEMENT OF SALMON AND STEELHEAD RESOURCES

PART A—GENERAL PROVISIONS

SEC. 101. SHORT TITLE.

This title may be cited as the "Salmon and Steelhead Conservation and Enhancement Act of 1980."

SEC. 102. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds and declares the following:

(1) The stocks of salmon and steelhead which originate in the rivers of the conservation areas constitute valuable and renewable natural resources. Many groups of commercial, recreational, and treaty fishermen have historically depended upon these stocks of fish for their livelihoods and avocations. These fishery resources contribute to the food supply and economic health of the Pacific Northwest and the Nation as a whole, provide valuable recreational experiences for thousands of citizens from various parts of the United States, and represent a central element of the cultures and economies of Indian tribes and the citizens of the Pacific Northwest.

(2) Over a period of several decades, competing uses of salmon and steelhead habitat and historical problems relating to conservation measures, the regulation of harvest and enhancement have depressed several of these stocks of salmon and steelhead.

(3) Improved management and enhancement planning and coordination among salmon and steelhead managers will help prevent a further decline of salmon and steelhead stocks and will assist in increasing the supply of these stocks.

(4) Due in principal part to the Federal court decisions in United States v. Washington and Sohappy v. Smith, the fishing capacity of nontreaty fishermen in the conservation areas established by this title exceeds that required to harvest the available salmon resources. This excess capacity causes severe economic problems for these fishermen.

(5) The supply of salmon and steelhead can be increased through carefully planned enhancement measures designed to improve the survival of stocks and to augment the production of artificially propagated stocks. By careful choice of species, areas, and stocking procedures, enhancement programs can be used to—

(A) improve the distribution of fish among different groups of treaty and nontreaty fishermen; and

(B) add stability to the treaty and nontreaty fisheries by reducing variations in fish availability.

(b) PURPOSES.—In order to assist the harvesters of the salmon and steelhead resources within the Columbia River conservation area and the Washington conservation area established by this title to overcome temporary dislocations arising from the decisions in the cases of United States v. Washington and Sohappy v. Smith and from other causes, this title authorizes the establishment of a cooperative program involving the United States, the States of Washington and Oregon, the treaty tribes acting through the appropriate tribal coordinating bodies, and other parties, to—

(1) encourage stability in and promote the economic well being of the treaty and nontreaty commercial fishing and charter fishing industries and improve the distribution of fishing power between treaty and nontreaty fisheries through—

(A) the purchase of nontreaty commercial and charter fishing vessels, gear, and licenses; and

(B) coordinated research, enhancement, and management of salmon and steelhead resources and habitat; and

(2) improve the quality of, and maintain the opportunities for, salmon and steelhead recreational fishing.

SEC. 103. DEFINITIONS.

As used in this title—

(1) The term "appropriate tribal coordinating body" means the Columbia River tribal coordinating body or the Washington tribal coordinating body, as the context requires.

(2) The term "charter vessel" means any vessel licensed by the State to carry passengers for hire for the purpose of recreational salmon fishing.

(3) The term "charter fishing" means fishing undertaken aboard charter vessels.

(4) The term "Columbia River conservation area" means—

(A) all habitat within the Columbia River drainage basin; and

(B) those areas in—

(i) the fishery conservation zone over which the Pacific Fishery Management Council has jurisdiction, and

(ii) the territorial seas of Oregon and Washington,

in which one or more stocks that originate in the habitat described in subparagraph (A) migrate.

(5) The term "Columbia River tribal coordinating body" means the organization duly authorized by those treaty tribes of the Columbia River drainage basin to coordinate activities for them for purposes of this title.

(6) The term "commercial fishing" means fishing for the purpose of sale or barter.

(7) The term "commercial fishing vessel" or "fishing vessel" means any vessel, boat, ship, or other craft which is licensed for, and used for, equipped to be used for, or of a type which is normally used for, commercial salmon fishing.

(8) The term "enhancement" means projects undertaken to increase the production of naturally spawning or artificially propagated stocks of salmon or steelhead, or to protect, conserve, or improve the habitat of such stocks.

(9) The term "habitat" means those portions of the land or water, including the constituent elements thereof, (A) which salmon or steelhead occupy at any time during their life cycle, or (B) which affect the salmon or steelhead resources.

(10) The term "recreational fishing" means fishing for personal use and enjoyment using conventional angling gear, and not for sale or barter.

(11) The term "salmon" means any anadromous species of the family Salmonidae and Genus Oncorhynchus, commonly known as Pacific salmon.

(12) The term "salmon or steelhead resource" means any stock of salmon or steelhead.

(13) The term "steelhead" means the anadromous rainbow trout species Salmo gairdneri, commonly known as steelhead.

(14) The term "stock" means a species, subspecies, race, geographical grouping, run, or other category of salmon or steelhead.

(15) The term "treaty" means any treaty between the United States and any treaty tribe that relates to the reserved right of such tribe to harvest salmon and steelhead with the Washington or Columbia River conservation areas.

(16) The term "treaty tribe" means any Indian tribe recognized by the United States Government, with usual and accustomed fishing grounds in the Washington or Columbia River conservation areas, whose fishing right under a treaty has been recognized by a Federal court.

(17) The term "Washington conservation area" means all salmon and steelhead habitat within the State of Washington except for the Columbia River drainage basin, and in the fishery conservation zone adjacent to the State of Washington which is subject to the jurisdiction of the United States.

(18) The term "Washington tribal coordinating body" means the organization duly authorized by the treaty tribes of the Washington conservation area to coordinate their activities for them for the purposes of this title.

PART B—COORDINATED MANAGEMENT OF SALMON AND STEELHEAD

SEC. 110. ESTABLISHMENT AND FUNCTIONS OF SALMON AND STEELHEAD ADVISORY COMMISSION.

(a) ESTABLISHMENT.—Within 90 days after the date of the enactment of this Act, the Secretary of Commerce (hereinafter in this part referred to as the "Secretary") shall establish the Salmon and Steelhead Advisory Commission (hereinafter referred to in this title as the "Commission"), which shall consist of one voting member from each of the following:

(1) The State of Washington

(2) The State of Oregon.

(3) The Washington tribal coordinating body.

(4) The Columbia River tribal coordinating body.

(5) The Pacific Fishery Management Council.

(6) The National Marine Fisheries Service.

(b) MEMBERSHIP.—(1) The voting representatives shall be appointed by the Secretary from a list of qualified individuals submitted by the Governor of each applicable State, by each appropriate tribal coordinating body, and by the Pacific Fishery Management Council. The representative for the National Marine Fisheries Service shall be the Northwest regional director of the Service or his designee.

(2) The Commission shall have 6 nonvoting members, 5 of which shall be qualified individuals appointed by the Secretary. The sixth nonvoting member shall be the regional director of the United States Fish and Wildlife Service or his designee.

(3) For the purposes of this subsection, the term "qualified individual" means an individual who is knowledgeable with regard to the management, conservation, or harvesting of the salmon and steelhead resources of the conservation areas.

(c) REPORT BY COMMISSION.—Within 15 months after the date of the establishment of the Commission, it shall prepare, and submit to the Secretary and Congress, a comprehensive report containing conclusions, comments, and recommendations for the development of a management structure (including effective procedures, mechanisms, and institutional arrangements) for the effective coordination of research, enhancement, management, and enforcement policies for the salmon and steelhead resources of the Columbia River and Washington conservation areas, and for the resolution of disputes between management entities that are concerned with stocks of common interest. The principal objectives of, and the standards for, the management structure shall include, but not be limited to—

(1) the development of common principles to govern and coordinate effectively management and enhancement activities;

(2) the prevention of overfishing;

(3) the use of the best scientific information available;

(4) the consideration of, and allowance for, variations among, and contingencies in, fisheries and catches;

(5) the promotion of harvest strategies and regulations which will encourage continued and increased investment by the salmon and steelhead producing jurisdictions;

(6) the optimization of the use of resources for enforcement;

(7) the consideration of harvest activities as they relate to existing and future international commitments;

(8) the minimization of costs and the avoidance of unnecessary duplication; and

(9) the harvest of fish by treaty tribes, in accordance with treaty rights, unless agreed otherwise by the affected treaty tribes.

(d) UNANIMOUS VOTE REQUIRED.—No report or revision thereto may be submitted by the Commission to the Secretary for approval under this section unless the report or revision is approved by all of the voting members of the Commission.

(e) SECRETARIAL ACTION ON REPORT.—Within 4 months after the date of the submission of the comprehensive report, or any revision thereto, under subsection (c), the Secretary, in consultation with the Secretary of the Interior, shall review the report and, if he finds that the management structure recommended in the report would, if implemented, meet the objectives and standards specified in this section and be consistent with this title, approve the report. If the Secretary, in consultation with the Secretary of the Interior, finds that such structure is not in conformity with the standards and objectives set forth in this section, the provisions of this title or other applicable law, he shall return the report to the Commission together with a written statement of the reasons for not approving the report. If the Commission submits a revised report to the Secretary within 2 months after the date of return, the Secretary shall approve the report if he finds that the objections on which the prior disapproval was based are overcome.

(f) PER DIEM AND TRAVEL ALLOWANCES.—The members of the Commission (other than those who are full-time employees of the Federal or a State government), while away from their homes or regular places of business for purposes of carrying out their duties as members, shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons intermittently employed in Government service.

(g) ADMINISTRATIVE SUPPORT.—The Secretary shall provide such clerical and technical support as may be necessary to enable the Commission to carry out its functions.

(h) TERMINATION OF COMMISSION.—Unless otherwise agreed to by the voting members of the Commission and approved by the Secretary, the Commission shall terminate upon the Secretary's approval of the Commission's report pursuant to subsection (e).

SEC. 111. PRECONDITION FOR ELIGIBILITY FOR ASSISTANCE UNDER PART C.

Upon approval by the Secretary of the Commission's report under section 110, a State represented by a voting member on the Commission and any treaty tribe represented by a tribal coordinating body shall be eligible for financial assistance under Part C if the State or treaty tribe enters into an agreement with the Secretary under which that State or treaty tribe obligates itself—

(1) to implement and enforce the provisions of the report and revisions thereto, through laws, regulations, ordinances, or other appropriate means, within such geographical areas and with respect to such persons as may be subject to its jurisdiction and to the extent of its enforcement power; and

(2) to engage in such coordination and consultation as may be necessary or appropriate to ensure, to the maximum extent practicable, that the report and revisions thereto are fully and effectively implemented.

SEC. 112. COORDINATION GRANTS.

The Secretary, in consultation with the Secretary of the Interior, is authorized to establish a program to provide grants to prepare reports and plans provided for in Parts B and C in order to promote coordinated research, enforcement, enhancement, and management of the salmon and steelhead resources within the Washington and Columbia River conservation areas consistent with the purposes of this title. Such grants shall be available for use by the State of Washington, the State of Oregon, appro-

priate tribal coordinating bodies, or any joint governmental entity established for undertaking research, or providing advice on or mechanisms for coordinating management or enforcement, or preparing the reports and plans described in Parts B and C.

SEC. 113. DISCONTINUANCE OF ASSISTANCE UNDER PARTS B AND C.

If the Secretary finds that as of the close of the 18th month after Secretarial approval of the Commission report under section 110 (e), the number of parties which have adopted and implemented the Commission's management program in accordance with the provisions of this title and the report is insufficient to ensure that the management structure is effective and consistent with the standards and objectives in section 110(c) he shall discontinue any further funding under Parts B or C of this title.

SEC. 114. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary for the purposes of carrying out the provisions of this part in fiscal years commencing after September 30, 1981, an aggregate amount of $3,000,000. Funds appropriated pursuant to this section remain available to the Secretary until expended.

PART C—RESOURCES ENHANCEMENT

SEC. 120. GRANTS FOR PROJECTS UNDER APPROVED ENHANCEMENT PLANS.

(a) AUTHORITY.—The Secretary of the Interior (hereinafter referred to in this part as the "Secretary"), in consultation with the Secretary of Commerce, is authorized to establish a program to provide grants for projects for the enhancement of the salmon and steelhead resources of the Washington conservation area and the Columbia River conservation area.

(b) PLANS.—Any such project in the Washington conservation area must be in accordance with a comprehensive enhancement plan developed and agreed to by the State of Washington and the Washington tribal coordinating body within 18 months after the date of enactment of this title. Any enhancement project in the Columbia River conservation area must be in accordance with a comprehensive enhancement plan developed and agreed to by the State of Washington, the State of Oregon, and the Columbia River tribal coordinating body within 18 months after the date of enactment of this title. Such plans must be approved by the Secretary, in consultation with the Secretary of Commerce, as provided in this part. The States shall solicit and consider the comments and views of interested commercial and recreational fishermen, and other interested parties, in developing the comprehensive enhancement plan.

(c) SCOPE.—Each comprehensive enhancement plan, and any revisions, or modifications of such plan, shall describe all enhancement projects in the conservation area, and associated stocking policies (when relevant), including any related research necessary to such enhancement anticipated by the States and the treaty tribes (acting through the appropriate tribal coordinating body) for a period of at least 5 years.

(d) STANDARDS.—Each comprehensive enhancement plan shall include such standards, restrictions, or conditions as are necessary, to assure that any project included in the plan contributes to the balanced and integrated development of the salmon and steelhead resources of the area. Such standards shall include, but not be limited to, provisions designed to—

(1) assure that all commercial and recreational fishermen and the treaty tribes shall have a reasonable opportunity to participate in the benefits, considered as a whole, of the salmon and steelhead resources development;

(2) minimize, to the extent practicable, significant adverse interaction between naturally spawning and artificially propagated stocks;

(3) ensure that all projects included within the plan are designed to complement the contribution of sound State, Federal, and tribal enhancement activities;

(4) ensure that all projects included within the plan are economically and biologically sound and supported by adequate scientific research;

(5) assure that all projects included within the plan achieve significant benefits relative to the overall cost of each such project;

(6) consider the effect of enhancement activities as they relate to existing and future international commitments; and

(7) notwithstanding any of the above measures, provide for the harvest of fish by treaty tribes in accordance with treaty rights, unless agreed otherwise by the affected treaty tribes.

(e) APPROVAL.—(1) The Secretary, in consultation with the Secretary of Commerce, shall review each comprehensive enhancement plan and approve such plan within 120 days of the date of its receipt, if found to be consistent with this title and other applicable law. If the Secretary, in consultation with the Secretary of Commerce, finds that a plan is not in conformity with the provisions of this title or other applicable law, he shall return such plan to the State of Washington or the State of Oregon, or both, as appropriate, and the appropriate tribal coordinating body with recommendations.

(2) Upon receiving such a plan, the Secretary, in consultation with the Secretary of Commerce, shall—

(A) publish a notice in the Federal Register of the availability of the plan;

(B) provide a copy of the plan to the Pacific Fishery Management Council and, upon request, to any other interested person or group, and solicit and consider the comments and views of such persons or groups with respect to the plan;

(C) undertake a biological and technical review of the plan, in consultation with individuals who are knowledgeable with regard to the management, conservation, enhancement, and harvest of the salmon and steelhead resources of the area;

(D) provide a copy of the plan to and consult with the Secretary of State and the Secretary of Commerce, with respect to the effect of such plan on any international fisheries; and

(E) determine whether the State of Washington or the State of Oregon, as appropriate, and the treaty tribes, acting through their chosen agency or agencies, have the authority to carry out the plan in accordance with this title, and in accordance with standards included within the plan.

(3) The Secretary, in consultation with the Secretary of Commerce, shall not approve a comprehensive enhancement plan unless the State of Washington or the State of Oregon, or both, as appropriate, and the treaty tribes, acting through the appropriate tribal coordinating body, agree not to undertake any salmon or steelhead enhancement project, using funds provided pursuant to this part or otherwise, that would be inconsistent with the plan.

(4) The Secretary may not approve a comprehensive plan unless the Secretary of Commerce concurs that such plan satisfactorily complies with standards (1), (6), and (7) of subsection (d) of this section.

(f) REVIEW MODIFICATION, OR REVISIONS.—Each comprehensive enhancement plan shall be reviewed periodically. The Secretary, the Secretary of Commerce, the State of Washington, the State of Oregon, or the appropriate tribal coordinating body may request a review, modification, or revision of a plan at any time. Any revision or modification of a plan, developed and agreed to by the State of Washington or the State of Oregon, as appropriate, and the appropriate tribal coordinating body, shall be approved by the Secretary, in consultation with the Secretary of Commerce, within 45 days of receipt of the proposed revision or modification, if such revision or modification is in conformity with this title and other applicable law. The Secretary, in consultation with the Secretary of Commerce, may withdraw approval of a plan if he finds that (1) the plan or its implementation is not consistent with this title, and (2) no modification or revision has been agreed to by the State of Washington or the State of Oregon, as appropriate, and the appropriate tribal coordinating body to correct any such inconsistencies.

SEC. 121. ENHANCEMENT PROJECTS.

After the approval of a comprehensive enhancement plan, the State of Washington, the State of Oregon, or a treaty tribe acting through the appropriate tribal coordinating body may submit project proposals to the Secretary in such manner and form as the Secretary shall prescribe. Such application shall include, but not be limited to,—

(1) plans, specifications, and cost estimates of the proposed enhancement project, including estimates of both the capital construction costs of the project and the operation and maintenance costs after commencement of the project;

(2) the enhancement goals that are sought to be achieved by the proposed project, including, but not limited to—

(A) a description of the affected stocks;

(B) an analysis of the expected impacts on the salmon and steelhead resource; and

(C) a projection of the expected impacts on each type of commercial, recreational and treaty Indian fishing;

(3) evidence that the State of Washington, the State of Oregon, or the treaty tribe, acting through its chosen agency or agencies, has obtained or is likely to obtain any necessary titles to, interests in, rights-of-way over, or licenses covering the use of the relevant land;

(4) an analysis of, and supporting data for, the economic and biological integrity and viability of the project;

(5) such other information as the Secretary, in consultation with the Secretary of Commerce, determines is necessary to assure that the proposed project is consistent with the approved enhancement plan and the provisions of this title; and

(6) after approval of the Commission's report pursuant to section 110 of this title, documentation that the appropriate State or treaty tribe submitting or undertaking the project proposal has adopted and begun all necessary implementation of the Commission's management program.

SEC. 122. APPROVAL AND FUNDING OF PROJECTS

(a) IN GENERAL.—The Secretary, in consultation with the Secretary of Commerce, may approve any project that is consistent with an approved enhancement plan and the provisions of this title, and shall promptly notify the States, the treaty tribes and, upon request, any other interested party of the approval of a project and the amount of funding made available under this title for such project.

(b) LIMITATIONS ON FEDERAL SHARE.—The total Federal share of all enhancement projects funded annually by this section shall not exceed 50 percent of the total amount expended for such projects, except that this limitation shall not apply to projects proposed by treaty tribes acting through the appropriate tribal coordinating body. A State share may include both real and personal property. Title to, or other interest in, such property shall remain within the State. The State of Washington shall be treated on the date of the enactment of this title as having expended $32,000,000 (reduced by the amount treated as expended by the State under section 135 of this title) on enhancement projects set forth in the plan which are eligible

for assistance under this title. The Federal share shall be paid in such amounts and at such times as the Secretary deems appropriate, consistent with this title and the goals of the comprehensive plan.

SEC. 123. REVIEW OF ENHANCEMENT PROJECTS.

The Secretary, in cooperation with the Secretary of Commerce, shall establish, in consultation with the State of Washington, the State of Oregon, and the appropriate tribal coordinating body, a system to monitor and evaluate on a continuing basis all enhancement projects for which funds have been distributed under this part, and may discontinue or suspend distribution of all or part of the funds if any project is not being carried out in a manner consistent with the comprehensive enhancement plan concerned and this title. Each recipient of a grant under this part shall make available to the Secretary and to the Comptroller General of the United States for purposes of audit and examination, any book, document, paper, and record that is pertinent to the funds received under the grant.

SEC. 124. AUTHORIZATION OF APPROPRIATIONS.

(a) SALMON ENHANCEMENT.—For purposes of carrying out the provisions of this part for salmon enhancement (including, but not limited to, the operation and maintenance of enhancement facilities) there are authorized to be appropriated not to exceed $45,000,000 for the 10-year period beginning on October 1, 1982, for the Washington conservation area, and not to exceed $25,000,000 for the 10-year period beginning on such date for the Columbia River conservation area.

(b) STEELHEAD ENHANCEMENT.—In addition to the amounts authorized under subsection (a), there are authorized to be appropriated to carry out steelhead enhancement projects under this part (including, but not limited to operation and maintenance of enhancement facilities) not to exceed $7,000,000 for the 10-year period beginning on October 1, 1982, for the Washington conservation area; and not to exceed $7,000,000 for the 10-year period beginning on such date for the Columbia River conservation area.

(c) LIMITATION.—No monies appropriated pursuant to subsection (a) or (b) may be used for the operation and maintenance of enhancement programs and related facilities as they existed on or before the date of the approval by the Secretary under section 120 of the enhancement plan for the conservation area concerned.

PART D—COMMERCIAL FISHING FLEET ADJUSTMENT

SEC. 130. FLEET ADJUSTMENT PROGRAM.

(a) IN GENERAL.—The Secretary of Commerce (hereinafter referred to in this part as the "Secretary"), upon approval of a program submitted pursuant to section 132 of this part, is authorized to distribute Federal funds to the State of Washington (hereinafter in this part referred to as the "State"), subject to the standards, conditions, and restrictions set forth in this part, for the purchase of commercial fishing and charter vessels (including the associated fishing gear) and licenses by the State in accordance with the provisions of this part. The Federal share payable under this part shall not exceed 75 percent of the total cost of the program.

(b) LEGAL TITLE.—Title to any vessel or other personal property purchased under a State program approved by the Secretary in accordance with the provisions of this part shall vest upon purchase in the State. If the State sells such vessels or other property, title may pass in accordance with such sale.

SEC. 131. STANDARDS.

The State shall submit to the Secretary a program within 3 months of the date of enactment of this title designed to—

(1) provide incentives for early retirement of licenses, or early sale of vessels;

(2) set aside specific allocations of funds for each gear type to achieve the specific fleet reductions provided for in the program;

(3) obtain an effective and expeditious reduction in the overall fishing capacity of and the number of vessels and licenses in the non-Indian commercial and charter salmon fishing fleets in the Washington conservation area; and

(4) provide State funding for 25 per centum of the total cost of the program.

SEC. 132. PROGRAM APPROVAL.

(a) SUBMISSION FOR APPROVAL.—The State shall submit its program and submit revisions, modifications, or amendments to the Secretary in accordance with standards established pursuant to section 131 and in such manner and form as the Secretary shall prescribe.

(b) REQUIREMENTS FOR APPROVAL.—Prior to approving such program or any revision, modification, or amendment, and authorizing Federal funds to be distributed in accordance with this part the Secretary must find that—

(1) the State, acting through its chosen agency or agencies, has authority to carry out a commercial and charter vessel fleet reduction program in accordance with the provisions of this part;

(2) the State program provides that a fishing or charter vessel may not be purchased by the State from other than the person who owned the vessel on the date of the enactment of this title;

(3) the State program prevents the expenditure of a disproportionate amount of funds available for vessel acquisition on vessels owned by any one person;

(4) the State program prohibits the purchase of any fishing or charter vessel unless all State commercial and charter salmon fishing licenses attached to the vessel are also sold to the State;

(5) the State program provides that no person may purchase from the State any vessel which that person or a member of that person's immediate family had previously sold to the State;

(6) the State program provides that no person may purchase any vessel sold to the State pursuant to the program and use such vessel for commercial or charter salmon fishing in the Washington conservation area, unless State law provides that the use of such vessel could not result in any additional fishing effort in the non-Indian fishing fleet;

(7) the State program provides for purchase of vessels at their fair market value;

(8) the State program provides for the reduction of salmon fishing licenses, through purchase of such licenses at their fair market value, and the use of bonuses and schedules, to—

(A) secure an early retirement from the salmon fishery;

(B) recognize productiveness if the commercial harvesters using a gear type wish that gear type's specific allocation of funds to recognize productiveness; and

(C) recognize passenger-carrying capacity for charter fishing licenses;

(9) the State program provides, with respect to marginally productive commercial salmon fishermen, for the purchase of their salmon fishing licenses, but not their fishing vessels;

(10) the State maintains a moratorium, or similar program, to preclude the issuance of new commercial or charter salmon fishing licenses; and

(11) the State has established a revolving fund for the operation of the fleet reduction program that includes an individual account for each category of fishing license (based on type of fishing gear used) and that any moneys received by the State or its agents from the resale of any fishing vessel or gear purchased under the program (A) shall be placed in such revolving fund, (B) shall, for at least 2 years from the date of the program's inception, be placed in the appropriate individual account, and (C) shall be used exclusively to purchase commercial fishing and charter vessels and licenses in accordance with the provisions of this part.

(c) SECRETARIAL ACTION.—The Secretary shall approve such program within ninety days of the date of receipt of the program if found to be consistent with this title and other applicable law. If the Secretary finds that such program is not in conformity with the provisions of this title or other applicable law, he shall return such program to the State with recommendations. Any revision, modification, or amendment to the program shall be approved within thirty days of receipt unless found to be inconsistent with this title or other applicable law.

SEC. 133. REVIEW BY SECRETARY.

(a) IN GENERAL.—The Secretary shall conduct a continuing review of the State program to determine whether the program remains consistent with this title or other applicable law. Such review shall include a biennial audit of the records of the State program.

(b) ACTION UPON FINDING OF NONCOMPLIANCE.—If the Secretary finds that the program or the administration thereof is no longer in compliance with this part he shall reduce or discontinue distribution of funds under this part, or take other appropriate action.

(c) Disposition of Certain Moneys.—If the Secretary finds that any money provided to the State or obtained by the State from the resale of any fishing or charter vessel purchased under the program is not being used in accordance with the provisions of this part, the Secretary shall recover from the fund, and place in the United States Treasury, such moneys.

SEC. 134. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary, for the purposes of carrying out the provisions of this part, $37,500,000 for the 5-year period beginning October 1, 1981.

SEC. 135. SPECIAL PROVISION.

On the date the Secretary approves the program under section 132, the State shall be treated as having expended such portion of $32,000,000 as the State deems appropriate for purposes of implementing the program.

PART E—MISCELLANEOUS

SEC. 140. REGULATIONS.

The Secretary of Commerce and the Secretary of the Interior may each promulgate such regulations, in accordance with section 553 of title 5, United States Code, as may be necessary to carry out his functions under this title.

SEC. 141. REPORTS AND MONITORING.

(a) REPORTS.—The State of Washington, the State of Oregon, and the appropriate tribal coordinating bodies shall submit to the appropriate Secretary an annual report on the status of the programs authorized by this title or any other relevant report requested by such Secretary.

(b) MONITORING.—After the 18-month period after approval of the report of the Salmon and Steelhead Advisory Commission under part B, the Secretary of Commerce shall establish a system to monitor and evaluate on a continuing basis whether the management program set forth in the report is being effectively implemented. If at any time after the monitoring system is established, the Secretary finds that—

(1) the number of parties referred to in section 113 has been reduced to the extent that such program cannot be implemented effectively; or

(2) the general implementation of the program is ineffective;

the Secretary shall immediately discontinue any further funding under part C.

SEC. 142. RELATIONSHIP TO PROVISIONS OF FISHERY CONSERVATION AND MANAGEMENT ACT OF 1976.

(a) CONSISTENCY.—Nothing in this title shall be construed as affecting the provisions of title III of the Fishery Conservation and Management Act of 1976 as it applies with respect to fishery management plans and their application to any fishery, except that the Pacific Fishery Management Council shall ensure that existing and future fishery management plans are consistent with any recommended program approved under section 110 and any enhancement plan under part C.

(b) FLEET MOBILITY.—The Secretary of Commerce in coordination with the Pacific Fishery Management Council in its salmon management plan shall ensure that the fishing effort reduction that results from the fleet adjustment program of part D and the license moratorium of the State of Washington is not replaced by new fishing effort from outside such State.

SEC. 143. RELATION TO OTHER LAWS.

Nothing in this title shall be construed—

(1) to diminish Federal, State, or tribal jurisdiction, responsibility, or rights in the field of resource enhancement and management, or control of water resources, submerged lands, or navigable waters; nor to limit the authority of Congress to authorize and fund projects; or

(2) as superseding, modifying, or repealing any existing applicable law, except as provided for in section 143 of this title.

SEC. 144. AUTHORIZATION OF ADDITIONAL APPROPRIATION.

In addition to other authorizations of appropriations contained in this title, there are authorized to be appropriated to the Secretary of Commerce beginning October 1, 1981, an amount not to exceed $5,000,000 for the purpose of developing fisheries port facilities in the State of Oregon. The Secretary shall obligate such funds for projects proposed by units of State or local government, Indian tribes, or private nonprofit entities, and approved by the State of Oregon in consultation with the National Marine Fisheries Service and the Economic Development Administration. To the extent practicable, the Secretary shall assure that projects under this section are integrated with planning and assistance under the Public Works and Economic Development Act. Funds available under this section shall not be used for any navigational improvement or other modification of the navigable waters of the United States. Funds appropriated pursuant to this section shall remain available until expended.

SEC. 145. GOVERNING INTERNATIONAL FISHERY AGREEMENT WITH PORTUGAL.

Notwithstanding section 203 of the Fishery Conservation and Management Act of 1976, the governing international fishery agreement between the Government of the United States of America and the Government of Portugal Concerning Fisheries Off the Coasts of the United States, as contained in the message to Congress from the President of the United States dated December 1, 1980—

(1) is hereby approved by Congress as a governing international fishery agreement for the purposes of such Act of 1976; and

(2) shall enter into force and effect with respect to the United States on the date of the enactment of this title.

TITLE II—PROMOTION OF AMERICAN FISHERIES

SEC. 201. SHORT TITLE.

This Title may be cited as the "American Fisheries Promotion Act".

PART A—RESEARCH AND DEVELOPMENT REGARDING UNITED STATES FISHERIES

SEC. 210. RESEARCH AND DEVELOPMENT PROJECTS AND PROGRAMS.

AMENDMENTS TO SALTONSTALL-KENNEDY ACT.—Section 2 of the Act of August 11, 1939 (commonly referred to as the Saltonstall-Kennedy Act, 15 U.S.C. 713c-3), is amended—

(1) by striking out subsections (b), (c), (d), and (e);

(2) by redesignating subsection (a) as subsection (b);

(3) by inserting immediately before subsection (b) (as so redesignated) the following new subsection:

"SEC. 2. (a) DEFINITIONS.—As used in this section—

"(1) The term 'person' means—

"(A) any individual who is a citizen or national of the United States or a citizen of the Northern Mariana Islands;

"(B) any fishery development foundation or other private nonprofit corporation located in Alaska; and

"(C) any corporation, partnership, association, or other entity (including, but not limited to, any fishery development foundation or other private nonprofit corporation not located in Alaska), nonprofit or otherwise, if such entity is a citizen of the United States within the meaning of section 2 of the Shipping Act, 1916 (46 U.S.C. 802) and for purposes of applying such section 2 with respect to this section—

"(i) the term 'State' as used therein includes any State referred to in paragraph (3),

"(ii) citizens of the United States must own not less than 75 percent of the interest in the entity or, in the case of a nonprofit entity, exercise control in the entity that is determined by the Secretary to be the equivalent of such ownership, and

"(iii) nationals of the United States and citizens of the Northern Mariana Islands shall be treated as citizens of the United States in meeting the ownership and control requirements referred to in clause (ii).

"(2) The term 'Secretary' means the Secretary of Commerce.

"(3) The term 'State' means any State, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands of the United States, Guam, the Northern Mariana Islands, and any other Commonwealth, territory, or possession of the United States.

"(4) The term 'United States fishery' means any fishery, including any tuna fishery, that is, or may be, engaged in by citizens or nationals of the United States or citizens of the Northern Mariana Islands.

"(5) The term 'citizen of the Northern Mariana Islands' means—

"(A) an individual who qualifies as such under section 8 of the Schedule on Transitional Matters attached to the Constitution of the Northern Mariana Islands; or

"(B) a corporation, partnership, association, or other entity organized or existing under the laws of the Northern Mariana Islands, not less than 75 percent of the interest in which is owned by individuals referred to in subparagraph (A) or citizens or nationals of the United States, in cases in which 'owned' is used in the same sense as in section 2 of the Shipping Act, 1916 (46 U.S.C. 802).";

(4) by amending subsection (b) (as so redesignated)—

(i) by inserting "Fund.—" immediately after "(b)" and before the first word of such subsection,

(ii) by striking out "Secretary of the Interior" the first place it appears therein and inserting in lieu thereof "Secretary",

(iii) by striking out "and used by the Secretary of the Interior" and inserting in lieu thereof "only for use by the Secretary", and

(iv) by striking out clauses (1), (2), and (3) and inserting in lieu thereof the following: "(1) to provide financial assistance for the purpose of carrying out fisheries research and development projects approved under subsection (c), and (2) to implement the national fisheries research and development program provided for under subsection (d).";

and

(5) by adding immediately after subsection (b) (as so redesignated) the following:

"(c) FISHERIES RESEARCH AND DEVELOPMENT PROJECTS.—(1) The Secretary shall make grants from the fund established under subsection (b) to assist persons in carrying out research and development projects addressed to any aspect of United States fisheries, including, but not limited to, harvesting, processing, marketing, and associated infrastructures.

"(2) The Secretary shall—

"(A) at least once each fiscal year, receive, during a 60-day period specified by him, applications for grants under this subsection;

"(B) prescribe the form and manner in which applications for grants under this subsection must be made, including, but not limited to, the specification of the information which must accompany applications to ensure that the proposed projects comply with Federal law and can be evaluated in accordance with paragraph (3)(B); and

"(C) approve or disapprove each such application before the close of the 120th day after the last day of the 60-day period (specified under subparagraph (A)) in which the application was received.

"(3) No application for a grant under this subsection may be approved unless the Secretary—

"(A) is satisfied that the applicant has the requisite technical and financial capability to carry out the project; and

"(B) evaluates the proposed project as to—

"(i) soundness of design,

"(ii) the possibilities of securing productive results,

"(iii) minimization of duplication with other fisheries research and development projects,

"(iv) the organization and management of the project,

"(v) methods proposed for monitoring and evaluating the success or failure of the project, and

"(vi) such other criteria as the Secretary may require.

"(4) Each grant made under this subsection shall be subject to such terms and conditions as the Secretary may require to protect the interests of the United States, including, but not limited to, the following:

"(A) The recipient of the grant must keep such records as the Secretary shall require as being necessary or appropriate for disclosing the use made of grant funds and shall allow the Secretary and the Comptroller General of the United States, or any of their authorized representatives, access to such records for purposes of audit and examination.

"(B) The amount of a grant may not be less than 50 percent of the estimated cost of the project.

"(C) The recipient of the grant must submit to the Secretary periodic project status reports.

"(5)(A) If the cost of a project will be shared by the grant recipient, the Secretary shall accept, as a part or all of that share, the value of in-kind contributions made by the recipient, or made available to, and applied by, the recipient, with respect to the project.

"(B) For purposes of subparagraph (A), in-kind contributions may be in the form of, but are not limited to, personal services rendered in carrying out functions related to, and permission to use real or personal property owned by others (for which consideration is not required) in carrying out the project. The Secretary shall establish (i) the training, experience, and other quali-

fications which shall be required in order for services to be considered as in-kind contributions; and (ii) the standards under which the Secretary will determine the value of in-kind contributions for purposes of subparagraph (A).

"(C) Any valuation determination made by the Secretary for purposes of this paragraph shall be conclusive.

"(d) NATIONAL FISHERIES RESEARCH AND DEVELOPMENT PROGRAM.—(1) The Secretary shall carry out a national program of research and development addressed to such aspects of United States fisheries (including, but not limited to, harvesting, processing, marketing, and associated infrastructures), if not adequately covered by projects assisted under subsection (c), as the Secretary deems appropriate.

"(2) The Secretary shall, after consultation with appropriate representatives of the fishing industry, submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Merchant Marine and Fisheries of the House of Representatives, an annual report, that must be submitted not later than 60 days before the close of each fiscal year, containing—

"(A) the fisheries development goals and funding priorities under paragraph (1) for the next fiscal year;

"(B) a description of all pending projects assisted under subsection (c) or carried out under paragraph (1), in addition to—

"(i) a list of those applications approved and those disapproved under subsection (c), and the total amount of grants made, for the current fiscal year, and

"(ii) a statement of the extent to which available funds were not obligated or expended by the Secretary for grants under subsection (c) during the current fiscal year; and

"(C) an assessment of each project assisted under subsection (c) or carried out under paragraph (1) that was completed in the preceding fiscal year regarding the extent to which (i) the objectives of the project were attained, and (ii) the project contributed to fishery development.

"(e) ALLOCATION OF FUND MONEYS.—(1) With respect to any fiscal year, not less than 50 percent of—

"(A) the moneys transferred to the fund under subsection (b) or any other provision of law with respect to that fiscal year; and

"(B) such existing fund moneys carried over into that fiscal year;

shall be used by the Secretary during that fiscal year to provide financial assistance for projects under subsection (c); and the remainder of such moneys in the fund shall be used to implement the national fisheries research and development program established under subsection (d) during that fiscal year.

"(2) Moneys accruing to the fund established under subsection (b) for any fiscal year and not expended with respect to that year shall remain available for expenditure under this section without fiscal year limitation.".

SEC. 211. UNITED STATES FISHERY TRADE OFFICERS.

(a) APPOINTMENT.—For purposes of carrying out export promotion and other fishery development responsibilities, the Secretary of Commerce (hereinafter in this section referred to as the "Secretary") shall appoint not fewer than six officers who shall serve abroad to promote United States fishing interests. These officers shall be knowledgeable about the United States fishing industry, preferably with experience derived from the harvesting, processing, or marketing sectors of the industry or from the administration of fisheries programs. Such officers, who shall be employees of the Department of Commerce, shall have the designation of fishery trade officers.

(b) ASSIGNMENT.—Upon the request of Secretary, the Secretary of State shall officially assign fishery trade officers to such diplomatic missions of the United States as the Secretary designates (three of which shall be those in Brussels, Belgium; Rome, Italy; and Tokyo, Japan) and shall obtain for them diplomatic privileges and immunities equivalent to those enjoyed by foreign service personnel of comparable rank and salary.

(c) FUNCTIONS OF FISHERY TRADE OFFICERS.—The functions of fishery trade officers appointed under subsection (a) shall be—

(1) to increase the effectiveness of United States fishery export promotion efforts through such activities as the coordination of market development efforts and the provision of services and facilities for exporters of United States fishery products;

(2) to develop, maintain, and make available to interested persons listings of (A) trade, government, and other organizations that are concerned with, or have an interest in, international trade in United States fishery products, and (B) United States fishery products available for such trade;

(3) to prepare quarterly reports regarding (A) the supply, demand, and prices of each United States fishery product exported, or for which there may be export potential, to the foreign nation or area concerned, and (B) the trade barriers or incentives of such nation or area that affect imports of such products;

(4) to prepare weekly statements regarding the prices for each fishery product for which there may be United States export potential to the foreign nation or area concerned; and

(5) to carry out such other functions as the Secretary may require.

(d) ADMINISTRATION.—The Secretary of State and the Secretary shall enter into cooperative arrangements concerning the provision of office space, equipment, facilities, clerical services, and such other administrative support as may be required for fishery trade officers and their families.

PART B—FINANCIAL ASSISTANCE WITH RESPECT TO FISHING VESSELS AND FISHERY FACILITIES

SEC. 220. GUARANTEE OF OBLIGATIONS FOR FISHING VESSELS AND FOR FISHERY FACILITIES.

Title XI of the Merchant Marine Act, 1936 (46 U.S.C. 1271–1280) is amended as follows:

(1) Section 1101 is amended:

(A) in subsection (h) by striking "equipping; and" and substituting "equipping;";

(B) in subsection (i) by striking "mark." and substituting "mark;"; and

(C) by adding at the end thereof the following new subsections:

"(j) The term 'citizen of the Northern Mariana Islands' means—

"(1) an individual who qualifies as such under section 8 of the Schedule on Transitional Matters attached to the Constitution of the Northern Mariana Islands; or

"(2) a corporation, partnership, association, or other entity formed under the laws of the Northern Mariana Islands, not less than 75 percent of the interest in which is owned by individuals referred to in paragraph (1) or citizens or nationals of the United States, in cases in which 'owned' is used in the same sense as in section 2 of the Shipping Act, 1916 (46 U.S.C. 802);

"(k) the term 'fishery facility' means—

"(1) for operations on land—

"(A) any structure or appurtenance thereto designed for the unloading and receiving from vessels, the processing, the holding pending processing, the distribution after processing, or the holding pending distribution, of fish from one or more fisheries,

"(B) the land necessary for any such structure or appurtenance described in subparagraph (A), and

"(C) equipment which is for use in connection with any such structure or appurtenance and which is necessary for the performance of any function referred to in subparagraph (A); or

"(2) for operations other than on land, any vessel built in the United States used for, equipped to be used for, or of a type which is normally used for, the processing of fish;

but only if such structure, appurtenance, land, equipment, or vessel is owned by an individual who is a citizen or national of the United States or a citizen of the Northern Mariana Islands or by a corporation, partnership, association, or other entity that is a citizen of the United States within the meaning of section 2 of the Shipping Act, 1916 (46 U.S.C. 802), and for purposes of applying such section 2 with respect to this section—

"(1) the term 'State' as used therein includes any State, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands of the United States, Guam, the Northern Mariana Islands, or any other Commonwealth, territory, or possession of the United States; and

"(ii) citizens of the United States must own not less than 75 percent of the interest in the entity and nationals of the United States or citizens of the Northern Mariana Islands shall be treated as citizens of the United States in meeting such ownership requirement;

"(l) The term 'fishing vessel' has the meaning given such term by section 3(11) of the Fishery Conservation and Management Act of 1976 (16 U.S.C. 1802(11)); and any reference in this title to a vessel designed principally for commercial use in the fishing trade or industry shall be treated as a reference to a fishing vessel;

"(m) The term 'United States' when used in a geographical context with respect to fishing vessels or fishery facilities includes all States referred to in subsection (k)(1).".

(2) Section 1103(f) is amended by inserting immediately before the period the following: "; except that—

"(1) not less than 3 percent, nor more than 7 percent, of such sum shall be reserved for the guarantee of obligations for fishing vessels and fishery facilities that meet the economic soundness criteria set forth in section 1104(d)(1), and

(2) not less than 3 percent, nor more than 7 percent, of such sum shall be reserved for the guarantee of obligations for fishing vessels and fishery facilities that meet the economic soundness criteria set forth in section 1104(d)(2),

but the aggregate amount reserved for the purposes set forth in paragraphs (1) and (2) must equal 10 percent of such sum.".

(3) Section 1104 is amended—

(A) in subsection (a)—

(i) by striking out "(D) in the fishing trade or industry; or (E)" in paragraph (1) and inserting in lieu thereof "; or (D)";

(ii) by redesignating subparagraph (F) in paragraph (1) as subparagraph (E);

(iii) by redesignating paragraphs (2) through (4) as paragraphs (3) through (5), respectively, and by inserting immediately after paragraph (1) the following new paragraph:

"(2) financing, including reimbursement of an obligor for expenditures previously made for, construction, reconstruction, reconditioning, or purchase of a vessel or vessels owned by citizens or nationals of the United States or citizens of the Northern Mariana Islands which are designed principally for research, or for commercial use in the fishing trade or industry;";

(iv) by striking out "or" at the end of paragraph (4) (as redesignated by clause (iii));

(v) by striking out "or (3)" in paragraph (5) as so redesignated) and inserting in lieu thereof "(3), or (4)", and by striking out the period at the end thereof and inserting in lieu thereof a semicolon; and

(vi) by adding immediately after paragraph (5) the following:

"(6) financing or refinancing, including, but not limited to, the reimbursement of obligors for expenditures previously made for, the construction, reconstruction, reconditioning, or purchase of fishery facilities; or

"(7) financing the purchase of fishing vessels or fishery facilities, the construction, reconstruction, reconditioning, or purchase of which was guaranteed under this title, that are sold at foreclosure instituted by the Secretary, or are sold by the Secretary following purchase at foreclosure, and the reconstruction or reconditioning thereof.

Any obligation guaranteed under paragraph (6) shall be treated, for purposes of this title, in the same manner and to the same extent as an obligation guaranteed under this title which aids in the construction, reconstruction, reconditioning, or purchase of a vessel; except with respect to provisions of this title that by their nature can only be applied to vessels.";

(B) by adding at the end of subsection (b) the following: "The Secretary may not establish, as a condition of eligibility for guarantee under this title, a minimum principal amount for an obligation covering the reconstruction or reconditioning of a fishing vessel or fishery facility. For purposes of this title, the reconstruction or reconditioning of a fishing vessel or fishery facility does not include the routine minor repair or maintenance of the vessel or facility.";

(C) in subsection (d)—

(i) by striking out "No" and inserting in lieu thereof "(1) Except as provided in paragraph (2), no"; and

(ii) by adding at the end thereof the following:

"(2) In applying paragraph (1) with respect to commitments to guarantee, and the guarantee of, obligations for fishing vessels and fishery facilities used for underutilized fisheries, the Secretary of Commerce may apply an economic soundness test that is less stringent than that which has been traditionally applied to obligation guarantees under this paragraph.

"(3) No commitment to guarantee, or guarantee of an obligation may be made by the Secretary of Commerce under this title for the purchase of a used fishing vessel or used fishery facility unless—

"(A) the vessel or facility will be reconstructed or reconditioned in the United States and will contribute to the development of the United States fishing industry; or

"(B) the vessel or facility will be used in the harvesting of fish from, or for a purpose described in section 1101(k) with respect to, an underutilized fishery."; and

(D) in subsection (g)—

(i) by inserting "(1)" immediately after "(g)"; and

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

"(2) The Secretary of Commerce shall establish within the Fund the following subfunds:

"(A) The standard fishery subfund which shall contain all moneys received for, and incident to, the guarantee of obligations with respect to fishing vessels and fishery facilities to which the economic soundness criteria set forth in section 1104(d)(1) apply.

"(B) The underutilized fishery subfund which shall contain all moneys received for, and incident to, the guarantee of obligations with respect to fishing vessels and fishery facilities to which the economic soundness criteria set forth in section 1104(d)(2) apply.

"(C) The general subfund which shall contain all moneys received for, and incident to, the guarantee of obligations for vessels other than fishing vessels.".

(4) The first sentence of section 1105(d) is amended by inserting immediately before the period at the end thereof the following: ", and shall be paid from the appropriate subfund required to be established under section 1104(g)(2)".

SEC. 221. LOANS UNDER THE FISH AND WILDLIFE ACT OF 1956.

(a) LOAN AUTHORITY UNTIL OCTOBER 1, 1982.—During the period beginning on the date of the enactment of this title and ending at the close of September 30, 1982, the Secretary of Commerce (hereinafter in this section referred to as the "Secretary") may make loans from the fisheries loan fund established under subsection (e) of section 4 of the Fish and Wildlife Act of 1956 (16 U.S.C. 742c) only for the purposes set forth in subsections (b) and (c) of this section. Except to the extent that they are inconsistent with, or contrary to, this section, the provisions of such section 4 shall apply with respect to loans made for such purposes.

(b) LOANS TO AVOID DEFAULT ON OBLIGATION COVERING FISHING VESSELS.—(1) The Secretary may make loans for the purpose of assisting obligors to avoid default on obligations that are issued with respect to the construction, reconstruction, reconditioning or purchase of fishing vessels and that—

(A) are guaranteed by the United States under title XI of the Merchant Marine Act, 1936 (46 U.S.C. 1271–1280, relating to Federal ship mortgage insurance); or

(B) are not guaranteed under such title XI, but the fishing vessels concerned meet the use and documentation requirements, and the obligors meet the citizenship requirements, that would apply if the obligations were guaranteed under that title.

(2)(A) Within the 30-day period beginning on the date of the enactment of this title in the case of fiscal year 1981, and before the beginning of fiscal year 1982, the Secretary shall estimate the number, and the aggregate amount, of loans described in paragraph (1)(A) for which application will likely be made during each of such fiscal years and shall reserve that amount in the fisheries loan fund for the purpose of making such loans during such year (or if such amount is larger than the fund balance, the Secretary shall reserve the whole fund for such purpose).

(B) If any moneys are available in the fisheries loan fund for each such fiscal year after subparagraph (A) is complied with for that year, the Secretary shall use such moneys for the purpose of making loans described in paragraph (1)(B) during that year.

(C) At an appropriate time during each of fiscal years 1981 and 1982, the Secretary shall compare the actual loan experience during that year with the estimate made for that year under subparagraph (A) and if the Secretary determines, on the basis of such comparison, that the demand for loans described in paragraph (1)(A) will be less than estimated, the Secretary shall, for the fiscal year concerned, apply moneys reserved for such loans for the purpose of making loans described in paragraph (1)(B) and, to the extent not utilized for loans described in paragraph (1)(B), for the purpose of making loans under subsection (c).

(3) The Secretary may make loans under this subsection only to owners or operators who, in the judgment of the Secretary, have substantial experience and proven ability in the management and financing of fishing operations, and only if (A) loans for the purpose described in paragraph (1) are not otherwise available at reasonable rates which permit continued operation, and (B) the loans are likely to result in the financial viability of the fishing operations of the owners or operators. Each such loan shall be subject to such terms and conditions as the Secretary deems necessary or appropriate to protect the interests of the United States and to carry out the purpose of this subsection. In establishing such terms and conditions, the Secretary shall take into account, among such other factors he deems pertinent, the extent to which the obligations concerned have been retired, and the overall financial condition of the obligors. The interest rate on loans made under the authority of this subsection shall not exceed that rate determined by the Secretary to be sufficient to cover the costs incurred in processing and servicing of such loans.

(c) LOANS TO COVER OPERATING LOSSES.—(1) If the Secretary determines that moneys will be available in such fisheries loan fund for fiscal year 1981 or 1982, or both, after loans under subsection (b) are provided for that year, the Secretary may make loans for the purpose of assisting owners and operators of fishing vessels to cover vessel operating expenses in cases where an owner or operator incurs, or may incur, a net operating loss within such fiscal year.

(2) Each loan made by the Secretary under this subsection shall be subject to such terms and conditions as the Secretary deems necessary or appropriate to protect the interests of the United States and to carry out the purposes of this subsection. The Secretary may make loans under this subsection only to owners or operators who, in the judgment of the Secretary, have substantial experience and proven ability in the management and financing of fishing operations, and only if (A) loans for the purpose described in paragraph (1) are not otherwise available at reasonable rates which permit continued operation, and (B) the loans are likely to result in the financial viability of the fishing operations of the owners or operators. The interest rate on loans made under this subsection shall be the rate prevailing for loans made under the Emergency Agricultural Credit Act of 1978 (7 U.S.C. preceding 1961 note).

PART C—AMENDMENTS TO THE FISHERY CONSERVATION AND MANAGEMENT ACT OF 1976

Subpart I—Foreign Fishing, in Fisheries Subject to the Exclusive Fishery Management Authority of the United States

SEC. 230. FOREIGN FISHING.

Section 201(d) of the Fishery Conservation and Management Act of 1976 (16 U.S.C. 1821(d)) is amended to read as follows:

"(d) TOTAL ALLOWABLE LEVEL OF FOREIGN FISHING.—(1) As used in this subsection—

"(A) The term 'base harvest' means, with respect to any United States fishery, the total allowable level of foreign fishing during the 1979 harvesting season.

"(B) The term 'harvesting season' means the period established under this Act by the Secretary during which foreign fishing is permitted within a United States fishery. For purposes of this subsection, a harvesting season is designated by the calendar year in which the last day of the harvesting season occurs, regardless whether fishing is not permitted on that day due to emergency or other closure of the fishery.

"(C) The term 'calculation factor' means, with respect to each United States fishery, 15 percent of the base harvest.

"(D) The term 'reduction factor amount' means, with respect to each United States fishery, for any harvesting season after the 1980 harvesting season—

"(i) an amount equal to 15 percent of the base harvest for that fishery, if, in addition to the level of harvest by vessels of the United States in the designated preceding harvesting season for the fishery, such vessels harvest, in one or more harvesting seasons, not less than 75 percent of the calculation factor;

"(ii) an amount equal to 10 percent of the base harvest for the fishery, if, in addition to the level of harvest by vessels of the United States in the designated preceding harvest-

ing season for the fishery, such vessels harvest, in one or more harvesting seasons, not less than 50 percent, but less than 75 percent, of the calculation factor; or

"(iii) an amount equal to 5 percent of the base harvest for the fishery, if, in addition to the level of harvest by vessels of the United States in the designated previous harvesting season for the fishery, such vessels harvest, in one or more harvesting seasons, not less than 25 percent, but less than 50 percent, of the calculation factor.

For purposes of this paragraph, the term 'designated preceding harvest season' means—

"(I) until a reduction factor is first achieved under this paragraph with respect to the fishery concerned, the 1979 harvesting season, and

"(II) after such amount is first achieved, the most recent harvesting season in which a reduction factor amount was achieved.

"(E) The term 'annual fishing level' for any United States fishery during any harvesting season after the 1980 harvesting season is the base harvest for the fishery reduced by—

"(i) an amount equal to the reduction factor amount for that harvesting season; and

"(ii) an amount equal to the increased level of harvest by vessels of the United States over the level achieved by such vessels in the 1979 harvesting season for the fishery.

"(F) The term 'United States fishery' means any fishery subject to the exclusive fishery management authority of the United States.

"(2) The total allowable level of foreign fishing, if any, with respect to any United States fishery for each harvesting season after the 1980 harvesting season shall be—

"(A) the level representing that portion of the optimum yield of such fishery that will not be harvested by vessels of the United States as determined in accordance with the provisions of this Act (other than those relating to the determination of annual fishing levels), or

"(B) the annual fishing level determined pursuant to paragraph (3) for the harvesting season.

"(3) For each United States fishery, the appropriate fishery management council, on a timely basis, may determine and certify to the Secretary of State and the Secretary the annual fishing level for that fishery for each harvesting season after the 1980 harvesting season.

"(4) If with respect to any harvesting season for any United States fishery for which the total allowable level of foreign fishing is determined under paragraph (2)(B), the Secretary, in consultation with the Secretary of State, approves the determination by any appropriate fishery management council that any portion of the optimum yield for that harvesting season will not be harvested by vessels of the United States, the Secretary of State, in accordance with subsection (e), shall allocate such portion for use during that harvesting season by foreign fishing vessels; except that if—

"(A) the making available of such portion (or any part thereof) during that harvesting season is determined to be detrimental to the development of the United States fishing industry; and

"(B) such portion or part will be available for harvest in the immediately succeeding harvesting season, as determined on the basis of the best available scientific information; then such portion or part shall be allocated for use by foreign fishing vessels in such succeeding harvesting season. The determinations required to be made under subparagraphs (A) and (B) of the preceding sentence shall be made by the Secretary in consultation with the Secretary of State and on the basis of any recommendation of any appropriate fishery management council."

SEC. 231. ALLOCATION OF ALLOWABLE LEVELS OF FOREIGN FISHING.

(a) AMENDMENTS.—The last sentence of section 201(e)(1) of the Fishery Conservation and Management Act of 1976 (16 U.S.C. 1821(e)(1)) is amended to read as follows: "All such determinations shall be made by the Secretary of State and the Secretary on the basis of—

"(A) whether, and to what extent, such nations impose tariff barriers or nontariff barriers on the importation, or otherwise restrict the market access, of United States fish or fishery products;

"(B) whether, and to what extent, such nations are cooperating with the United States in the advancement of existing and new opportunities for fisheries trade, particulary through the purchase of fish or fishery products from United States processors or from United States fishermen;

"(C) whether, and to what extent, such nations and the fishing fleets of such nations have cooperated with the United States in the enforcement of United States fishing regulations;

"(D) whether, and to what extent, such nations require the fish harvested from the fishery conservation zone for their domestic consumption;

"(E) whether, and to what extent, such nations otherwise contribute to, or foster the growth of, a sound and economic United States fishing industry, including minimizing gear conflicts with fishing operations of United States fishermen, and transferring harvesting or processing technology which will benefit the United States fishing industry;

"(F) whether, and to what extent, the fishing vessels of such nations have traditionally engaged in fishing in such fishery;

"(G) whether, and to what extent, such nations are cooperating with the United States in, and making substantial contributions to fishery research and the identification of fishery resources; and

"(H) such other matters as the Secretary of State, in cooperation with the Secretary, deems appropriate.".

(b) TAKING EFFECT OF AMENDMENTS.—The amendments made by subsection (a) shall apply with respect to the 1981 harvesting season and harvesting seasons thereafter (as defined in section 201(d)(1) of the Fishery Conservation and Management Act of 1976, as amended by section 301).

SEC. 232. PERMIT FEES.

(a) INTERIM FEES.—(1) Effective with respect to permits issued under section 204(b) of the Fishery Conservation and Management Act of 1976 (16 U.S.C. 1824(b)(10)) for 1981, paragraph (10) of such section is amended by striking out the last sentence thereof and inserting in lieu thereof the following: "Such fees shall be formulated so as to ensure that the receipts resulting from the payment of the fees under this paragraph for permits issued for 1981 are not less than an amount equal to 7 percent of the ex vessel value of the total harvest by foreign fishing vessels in the fishery conservation zone during 1979. The fees collected by the Secretary under this paragraph for permits issued for 1981 shall be transferred to the fisheries loan fund established under section 4 of the Fish and Wildlife Act of 1956 (16 U.S.C. 742c) and used for the purpose of making loans therefrom, but only to the extent and in amounts provided for in advance in appropriation Acts.'.

(b) PERMANENT FEES.—Effective with respect to permits issued under section 204(b) of such Act of 1976 after 1981, paragraph (10) of such section is amended to read as follows—

"(10) FEES.—Fees shall be paid to the Secretary by the owner or operator of any foreign fishing vessel for which a permit is issued pursuant to this subsection. The Secretary, in consultation with the Secretary of State, shall establish a schedule of such fees which shall apply nondiscriminatorily to each foreign nation. The fees imposed under this paragraph shall be at least in an amount sufficient to return to the United States an amount which bears to the total cost of carrying out the provisions of this Act (including, but not limited to, fishery conservation and management, fisheries research, administration, and enforcement, but excluding costs for observers covered by surcharges under section 201(1)(4)) during each fiscal year the same ratio as the aggregate quantity of fish harvested by foreign fishing vessels within the fishery conservation zone during the preceding year bears to the aggregate quantity of fish harvested by both foreign and domestic fishing vessels within such zone and the territorial waters of the United States during such preceding year. The amount collected by the Secretary under this paragraph shall be transferred to the fisheries loan fund established under section 4 of the Fish and Wildlife Act of 1956 (16 U.S.C. 742c) for so long as such fund exists and used for the purpose of making loans therefrom, but only to the extent and in amounts provided for in advance in appropriation Acts.".

SEC. 233. FISHERY DEVELOPMENT OBJECTIVES.

Section 2(b)(6) of the Fishery Conservation and Management Act of 1976 (16 U.S.C. 1801(b)(6)) is amended by inserting immediately before the period at the end thereof the following: ", and to that end, to ensure that optimum yield determinations promote such development".

SEC. 234. FISHERY MANAGEMENT COUNCIL TRAVEL FUNDS.

The second sentence of section 302(d) of the Fishery Conservation and Management Act of 1976 (16 U.S.C. 1852(d)) is amended by striking out the period and inserting in lieu thereof the following: ", and other non-voting members may be reimbursed for actual expenses.".

SEC. 235. NOTICE OF AVAILABILITY OF MANAGEMENT PLANS.

Section 305(a) of the Fishery Conservation and Management Act of 1976 (16 U.S.C. 1855(a)) is amended by inserting "a notice of availability of" immediately after "Federal Register (A)".

Subpart 2—Full Observer Coverage Program

SEC. 236. ESTABLISHMENT OF FULL OBSERVER COVERAGE PROGRAM.

Section 201 of the Fishery Conservation and Management Act of 1976 (16 U.S.C. 1821) is amended by adding at the end thereof the following new subsection:

"(i) FULL OBSERVER COVERAGE PROGRAM.—(1) Except as provided in paragraph (2), the Secretary shall establish a program under which a United States observer will be stationed aboard each foreign fishing vessel while that vessel is engaged in fishing within the fishery conservation zone.

"(2) The requirement in paragraph (1) that a United States observer be placed aboard each foreign fishing vessel may be waived by the Secretary if he finds that—

"(A) in a situation where a fleet of harvesting vessels transfers its catch taken within the fishery conservation zone to another vessel, aboard which is a United States observer, the stationing of United States observers on only a portion of the harvesting vessel fleet will provide a representative sampling of the by-catch of the fleet that is sufficient for purposes of determining whether the requirements of the applicable management plans for the by-catch species are being complied with;

"(B) with respect to any foreign fishing vessel while it is engaged in fishing within the fishery conservation zone—

"(i) the time during which the vessel engages in such fishing will be of such short duration that the placing of a United States observer aboard the vessel would be impractical, or

"(ii) the facilities of the vessel for the quartering of a United States observer, or for the carrying out of observer functions, are so inadequate or unsafe that the health or safety of an observer would be jeopardized; or

"(C) for reasons beyond the control of the Secretary, an observer is not available.

"(3) United States observers, while aboard foreign fishing vessels, shall carry out such scientific and other functions as the Secretary deems necessary or appropriate to carry out the purposes of this Act.

"(4) In addition to any fee imposed under section 204(b)(10) of this Act and section 10(e) of the Fishermen's Protective Act of 1967 (22 U.S.C 1980(e)) with respect to foreign fishing for any year after 1980, the Secretary shall impose, with respect to each foreign fishing vessel for which a permit is issued under such section 204, a surcharge in an amount sufficient to cover all the costs of providing a United States observer abroad that vessel. The failure to pay any surcharge imposed under this paragraph shall be treated by the Secretary as a failure to pay the permit fee for such vessel under section 204(b)(10). All surcharges collected by the Secretary under this paragraph shall be deposited in the Foreign Fishing Observer Fund established by paragraph (5).

"(5) There is established in the Treasury of the United States the Foreign Fishing Observer Fund. The Fund shall be available to the Secretary as a revolving fund for the purpose of carrying out this subsection. The Fund shall consist of the surcharges deposited into it as required under paragraph (4). All payments made by the Secretary to carry out this subsection shall be paid from the Fund, only to the extent and in the amounts provided for in advance in appropriation Acts. Sums in the Fund which are not currently needed for the purposes of this subsection shall be kept on deposit or invested in obligations of, or guaranteed by, the United States.".

SEC. 237. EFFECTIVE DATE.

The amendment made by section 236 shall take effect October 1, 1981, and shall apply with respect to permits issued under section 204 of the Fishery Conservation and Management Act of 1976 after December 31, 1981.

SEC. 238. SHORT TITLE.

(a) Effective 15 days after the date of enactment of this title, section 1 of the Fishery Conservation and Management Act of 1976 (16 U.S.C 1801) is amended to read as follows: "That this Act may be cited as the Magnuson Fishery Conservation and Management Act.".

(b) Effective 15 days after the date of enactment of this title, all references to the Fishery Conservation and Management Act of 1976 shall be redesignated as references to the Magnuson Fishery Conservation and Management Act.

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PART D—MISCELLANEOUS PROVISIONS

SEC. 240. APPLICATIONS AND FILINGS FOR COMPENSATION FOR CERTAIN FISHING VESSEL AND GEAR DAMAGE.

(a) IN GENERAL.—If—

(1) any owner or operator of a fishing vessel who suffered, after September 17, 1978, and before the date of the enactment of this title damage to, or loss or destruction of, such vessel or fishing gear used with such vessel, but did not apply for compensation therefor under section 10 of the Fishermen's Protective Act of 1967 (22 U.S.C. 1980) within the 60-day period prescribed in subsection (c)(1) of such section; or

(2) any commercial fisherman who suffered, after September 17, 1978, and before the date of the enactment of this title, damages compensable under title IV of the Outer Continental Shelf Lands Act of 1978 (43 U.S.C. 1841 et seq.), but who did not timely file a claim therefor within the 60-day period prescribed in section 405(a) of such Act;

such owner or operator may make application for compensation with respect to such damage, loss or destruction under such section 10, and such commercial fisherman may file a claim for, compensation for such damages under such title IV, to the Secretary of Commerce, within the 60-day period beginning on the date of the enactment of this title.

(b) SPECIAL PROVISIONS.—(1) Notwithstanding any other provision of law—

(A) any application or filing timely made under subsection (a) shall be treated by the Secretary of Commerce as an application timely made under such section 10(c)(1), or as a filing timely made under such section 405(a), as the case may be, with respect to the damage, loss, or destruction claimed; and

(B) any claim for fishing gear loss that was pending on June 1, 1980, before the United States-Union of Soviet Socialist Republics Fisheries Claims Board or the American-Spanish Fisheries Board shall be treated by the Secretary of Commerce as a timely application made, on the date of the enactment of this title under such section 10(c)(1) for compensation for such loss.

(2) Section 403(c)(2)(A) of the Outer Continental Shelf Lands Act Amendments of 1978 (43 U.S.C. 1813(c)(2)(A)) is amended by striking out the semicolon at the end thereof and inserting in lieu thereof "and the party admits responsibility;".

SEC. 241. AMENDMENTS TO FISHERMEN'S PROTECTIVE ACT OF 1967.

Section 10 of the Fishermen's Protective Act of 1967 (22 U.S.C. 1980) is amended as follows:

(1) Subsection (a) is amended by adding at the end thereof the following:

"(4) The term "resulting economic loss" means the gross income, as estimated by the Secretary, that a fishing vessel owner or operator who is eligible for compensation under this section for damage to, loss of, or destruction of, a fishing vessel or the fishing gear used with such vessel will lose by reason of not being able to engage in fishing, or having to reduce his fishing effort, during the period before the vessel or gear, or both, are repaired or replaced and available for use.".

(2) Subsection (b) is amended—

(A) by inserting "and for any resulting economic loss", immediately after ", or both," in the matter preceding paragraph (1); and

(B) by striking out paragraph (2)(B) and inserting in lieu thereof the following:

"(B) is attributable to any other vessel, whether or not such vessel is a vessel of the United States.

For purposes of subparagraph (B), there shall be a rebuttable presumption that any damage, loss, or destruction of fishing gear is attributable to another vessel.".

(3) Subsection (c) is amended by inserting "and resulting economic loss" immediately after "destruction" in the matter appearing immediately before paragraph (1).

(4) Subsection (d) is amended—

(A) by inserting ", and resulting economic loss," immediately after destruction in paragraph (1); and

Mr. JACKSON. Mr. President, in May of this year, I stood before the Senate to express my sincere gratitude to Senator MAGNUSON for his skillful efforts to formulate legislation that comprehensively addressed the problems brought to the fisheries of the Pacific Northwest by a series of Federal court decisions. The Senate passed this bill which I was pleased to help develop and to cosponsor. The House of Representatives has passed a significantly different bill and it is Senator MAGNUSON's perseverance that brings this compromise before us for a vote. It is a compromise that meets the requirements of our resource and that meets the concerns of our House colleagues.

We have worked very hard with local management agencies to develop a mechanism that will insure the best coordination between Federal, State, and tribal jurisdictions. This management system will allow us to enhance the salmon and steelhead stocks so that all the fishermen in the Northwest and in Washington State will have a sufficiently increased harvest. As a result, the bill is supported by virtually all the users in my State—by the sportsmen, by the non-Indian commercial fishermen, by the tribal fishermen. This is the first time a consensus in the region has been truly achieved regarding this bill. It is a tremendous step toward resolving our resource problems and toward bringing the various managers of the fishery together in a comprehensive, coordinated management system.

In 1974, a Federal district court interpreted the treaties with the Indian tribes in western Washington to allow them up to one-half of our salmon and steelhead resources. As a result, our non-Indian commercial and sport fisheries were faced with a severe cutback in its available harvest. The problem of declining harvest shares has been compounded by the destruction of the habitat, fisheries mismanagement and other factors. This legislation will help us resolve these difficulties.

First, as I stated, the bill establishes a commission of knowledgeable individuals who must, within a limited time, develop a plan for the proper management of our resources.

Second, with this plan approved, the management structure must develop a program to enhance our decimated stocks of salmon and steelhead to insure that all the users of our resource benefit from the investment.

Third, while we are building up our salmon and steelhead stocks, we will be bringing our non-Indian commercial fisheries to a manageable size through a fleet adjustment program. Only then can we restore economic viability to the commercial fisheries.

Mr. President, we have a good bill before us. It is because of the diligent work of Senator MAGNUSON. I am proud to join him in support of the measure and urge my colleagues to vote for its passage.

Mr. HOLLINGS. Mr. President, I support S. 2163, and believe that a good compromise has been worked out on this bill between the House and the Senate. On May 5 when the Senate first acted on this piece of legislation, I rose to address some of the jurisdictional issues that affected the Department of the Interior and the Department of Commerce. The current compromise upholds this thinking. Unfortunately, too much time is wasted in Washington in internecine warfare and bureaucratic entanglements

over jurisdiction. This has been the case here.

Under the Fishery Conservation and Management Act, the so-called 200-mile bill, fisheries management is specifically the job of the National Oceanic and Atmospheric Administration within the Department of Commerce. It is not the job of the Fish and Wildlife Service, or any other office in the Department of the Interior. This bill adheres to that concept, and clarifies the responsibilities between the two departments. Under this legislation, the Fish and Wildlife Service will approve title II enhancement plans. The National Marine Fisheries Service in NOAA is responsible for fishery management and the buy-back provisions. In addition, Commerce will have to agree on the parts of the enhancement plans that have the most important management implications. This is in keeping with what has been established, and is working, under the 200-mile bill.

This should solve some of the problems that have continued to occur in the Pacific Northwest between Interior and Commerce, and let everyone know where they stand once and for all.

Mr. MAGNUSON. Mr. President, I thank the majority leader, the Senator from West Virginia, and the minority leader, the Senator from Tennessee, as well as all the Members of the Senate for agreeing to this compromise on fisheries legislation.

Mr. President, S. 2163 is a legislative attempt to help bring order and increased stability to the salmon and steelhead fisheries of the Northwest—fisheries which have been under considerable stress and dislocation since the 1974 Federal district court decision—the "Boldt" decision. This decision ruled that the treaties between the U.S. Government and the Indian tribes of Washington State and the Columbia River granted those tribes rights to one-half of the salmon and steelhead which would pass through their traditional fishing grounds. This long and bitter controversy is more fully outlined in this bill's legislative history, and I will not repeat it here.

The substitute bill at the desk for consideration today is a compromise bill worked out with the House of Representatives. It is a bill which all the parties in interest have agreed upon, and which I hope will help address this controversy that we in Washington State have been living with for the past 6 years. The legislative history in the Senate Report (No. 96-667) and our earlier floor statements on the bill's first passage (May 5) are still applicable and appropriate.

There are some new or different provisions which I believe merit discussion at this point.

First, it is important to remember this bill is appropriate in order to respond to the unexpectable consequences of the Federal court decisions in United States against Washington and related cases. The provisions of this bill are not merely a response to the results of fishery management measures or run declines. They are a response to the dislocations and other problems that have arisen because access to half of the resource was suddenly eliminated for the very large and established commercial and recreational fishing interests as a result of the Federal courts' interpretation of 120-year-old treaties. This does not mean that the treaty tribes are at fault or to blame; it merely means that this is the reason we should be and are acting.

Second, the Federal administrative responsibilities in this compromise text are different from the original Senate-passed S. 2163. The delineation of responsibiilties between the Departments of Commerce (National Marine Fisheries Service) and the Department of the Interior (Fish and Wildlife Service) have been clarified and streamlined. Responsibility for the approval of title II's enhancement plans will lie principally with the FWS. Responsibility for the fishery management and buy-back provisions of the bill lie with the NMFS. This reflects the present lines of responsibility fairly well.

It also is intended to provide the guidelines for the two departments future cooperation in the Northwest's salmon and steelhead activities. Management of these resources at the Federal level is the responsibility of the Department of Commerce and not the Department of the Interior. This is reflected in present law under the 200-mile bill and again here. And it is reflected in title II of this bill whereby the Department of Commerce must sign off on those portions of the enhancement plans that have the most significant management implications.

The Department of the Interior under this new compromise version of the bill will have the principal approval authority for the enhancement plans, whereas in the original bill both Commerce and Interior had to approve.

Third, this compromise text does not mandate a settlement of the controversy on the commercial harvest of steelhead. The original Senate version would have established a binding framework to minimize the nonrecreational harvest of steelhead and provide that the benefits of steelhead enhancement accrue to the sport fishermen. Because of the House's insistence, this provision was dropped from the present version. I believe this is a mistake, but in the interest of compromise, the Senate is receding on this point.

Fourth, the bill accepts the lesser authorization figures of the House version of the bill. This reduction is to both the enhancement and vessel buy-back programs; however, for fiscal year 1981 the State-Justice-Commerce appropriations bill included funding for the buy-back program under the authorization of the Fish and Wildlife Act. This funding is independent of S. 2163's authorization. It is of general importance to note, as was stated in the Senate report, that the authorizations of this bill are in addition to and independent of existing authorizations.

Mr. President, S. 2163 also includes the agreed-upon compromise on the fisheries development legislation. This bill's legislative history has been somewhat lengthy and tortured, and I commend the patience of all the participants—both in the Senate and the House—in reaching this final compromise. As with the salmon bill, the Senate legislative history on S. 1656 is applicable to our passage today and needs to be restated here.

I hope that the provisions of this bill are helpful in stimulating our Nation's fishing industry to take full advantage of the resources and benefits of our 200-mile zone.

Mr. President, I have spent a number of years in this body working on a wide variety of issues. I am glad to say that fishery issues have been among the most enjoyable and satisfying. The fishermen and processors within the industry are a fine group of people. Our oceans heritage is an exciting subject matter to have been associated with. And, finally, this body's legislative work on fisheries has always been nonpartisan, thoughtful, and cooperative. I thank TED STEVENS for all his fine efforts on behalf of our Nation's fisheries and for the fine working relationship we have always had in this area. I also extend my best wishes to BOB PACKWOOD, who next year will chair the Commerce Committee, and who has also shown great interest in our Nation's fishery affairs.

I appreciate very much the work of the leadership in agreeing to this fine compromise. I hope it will bring an end to the acrimony and controversy we have experienced in the Pacific Northwest over the years.

Mr. STEVENS. Mr. President, the Senate, today, considers a final version of a fisheries development bill, S. 2163, ending weeks of hard negotiations with the House to resolve differences between versions of the legislation, previously passed by each body.

Entitled the American Fisheries Promotion Act, the bill would, among other things, expand the program under the Saltonstall-Kennedy Act, by making more Federal funds available to the private sector.

As a cosponsor of the original Senate legislation, I am satisfied that the act will benefit the American fishing industry.

One of the provisions of the act will expand the Federal title IX fishing vessel loan program to include shoreside fish processing facilities. The bottleneck in the bottomfish industry has been a lack of processing facilities, and this provision could help alleviate that problem.

Other provisions of the act include a provision that will require the six U.S. regional fisheries attachés based overseas to file weekly reports on the prices of all fish consumed in the overseas markets. The timely information from these reports would be available to the U.S. fishing industry.

This provision will help U.S. companies to compete successfully with the foreign-owned companies that already have this marketing information available.

Another provision of the bill requires full U.S. observer coverage on foreign vessels fishing within the U.S. 200-mile conservation zone. This provision will help deter foreign fishermen from underlogging their catch—a current problem.

The legislation also substantially increases the fees for foreign fishing efforts in U.S. waters.

The bill includes a provision giving the regional fishery management councils the option of holding part of the foreign fishermen. This provision is based on the fishery allocation in reserve for American reserve system pioneered by the North Pacific Fishery Management Council.

Not included in the final version of the bill is a provision in the original Senate bill that would have expanded the capital construction fund program to include shoreside processing facilities. The capital construction fund is a tax deferral account in which fishermen may currently place earnings from their vessels to buy new vessels. I will continue to work in the next Congress with Senator PACKWOOD, who is on the Finance Committee, to expand the CCF program to include shoreside facilities.

Next Congress we will continue to address the problems of foreign fisheries activities off the U.S. coast, and will continue to explore ways to assist U.S. fishermen to develop and expand the bottomfish industry.

I would urge each of my colleagues here in the Senate to support this compromise bill.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from West Virginia to concur, with an amendment.

The motion was agreed to.

Mr. STEVENS. Mr. President, at my request, an amendment has already been incorporated into the text of the substitute and cleared by both sides of the aisle in the Senate and the House of Representatives.

For more decades than most of us can recall, Senator WARREN MAGNUSON has been the leading spokesman for the commercial fishing industry in this institution. His dedication to the advance of the American fishing industry has been unparalleled by any Members of the Senate.

In 1975, Senator MAGNUSON sponsored the most important fishery legislation in the history of this Nation, Public Law 94–265, an act which established a 200-mile fishery conservation and management zone around this Nation. Since its passage, this act has been titled, the Fishery Conservation and Management Act of 1976. I believe it only fitting that on the eve of Senator MAGNUSON's retirement this act be named after its sponsor and pioneer. My amendment, Mr. President, renames the act, the Magnuson Fishery Conservation and Management Act of 1976.

I am certain that if this amendment were offered separately from the substitute now before us that it would be unanimously endorsed by this institution. The fishermen of this Nation and the State of Alaska owes Senator MAGNUSON a great debt.

It is with the greatest respect and admiration for my good friend, Senator WARREN MAGNUSON, that I have proposed this amendment.

This is an amendment that will name the 200 Mile Fisheries Conservation Management Act after my good friend from the State of Washington. It will become known as the Magnuson Fishery Conservation and Management Act of 1976.

At the time that bill was before the Senate I wished to have it named that. There was a problem in working it out. I am pleased to say that we now have the unanimous position of all those who were involved in that passage of that act that it should be named after my good friend.

The fishermen of the Nation and particularly my State owe Senator Magnuson a great debt because of the passage of that act and I am pleased to see he is here in the Chamber and I know that he will be remembered forever by fishermen in the United States because of that act.

ORDER FOR RECOGNITION OF SENATORS DOMENICI AND STEVENSON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, what orders have been entered heretofore for the recognition of Senators on tomorrow?

The ACTING PRESIDENT pro tempore. Senator BELLMON and Senator PERCY, for 15 minutes each.

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

Mr. President, I have orders for two additional Senators to be recognized. This will consume the hour under the cloture rule tomorrow.

I ask unanimous consent that following the consummation of the orders already entered for the recognition of Senators on tomorrow, Messrs. DOMENICI and STEVENSON be recognized each for not to exceed 15 minutes.

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

ORDER FOR RECESS UNTIL 9 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9 o'clock tomorrow morning.

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

Mr. BAKER. Mr. President, a parliamentary inquiry.

Do I correctly understand that the Senate will convene at 9 a.m. tomorrow, pursuant to the request just granted to the majority leader, and that the hour under rule XXII will begin running at 9 o'clock and will be fully consumed by the four special orders that have just been entered?

I inquire what disposition will be made of the mandatory quorum call under rule XXII.

Mr. ROBERT C. BYRD. The mandatory quorum call, unless otherwise ordered, would begin running then at 10 o'clock.

Mr. BAKER. So the vote on cloture would occur after a quorum is established pursuant to that quorum call?

Mr. ROBERT C. BYRD. Yes.

Perhaps we should allow at least 15 minutes for the two sides to debate the cloture motion. We could do that.

Mr. BAKER. Mr. President, I see that the Senator from New Hampshire is in the Chamber, and I wonder whether he would care to remark on that suggestion of the majority leader.

Mr. HUMPHREY. Mr. President, I want to accommodate those who wish to speak in the morning, but my willingness to accommodate does not go much further than it already has been stretched.

For my part, I would like to see the cloture votes occur as close to the point directed by the rules as possible. Can we nail it down to occur not more than 30 minutes after all the speakers heretofore mentioned have concluded?

Mr. BAKER. Mr. President, if the majority leader will yield, I inquire which of the two cloture votes will be presented to the Senate first on tomorrow.

The ACTING PRESIDENT pro tempore. The first will be the cloture vote on the motion to proceed to consider H.R. 5200, the Fair Housing Act.

Mr. BAKER. So the fair housing vote would occur first, after the special orders and the quorum call.

I misspoke myself when I inquired of the Senator from New Hampshire, because the vote on the Breyer nomination, I assumed, would occur immediately after the disposition of the cloture motion on the fair housing bill.

Is that correct?

The ACTING PRESIDENT pro tempore. If the first one fails.

Mr. BAKER. That is right. If it succeeds, we will be on it until it is disposed of.

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. BAKER. If it fails, will there be another hour, then?

The ACTING PRESIDENT pro tempore. The Senate will vote immediately on the second cloture motion.

Mr. BAKER. So the hour contemplated under rule XXII, which will begin to run at the commencement of the session on tomorrow, would apply as well to the Breyer nomination.

The ACTING PRESIDENT pro tempore. That is correct.

Mr. HUMPHREY. Mr. President, will the majority leader yield for a parliamentary inquiry?

Mr. ROBERT C. BYRD. Yes, I yield for that purpose.

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

Mr. ROBERT C. BYRD. I yield to the Senator.

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. HUMPHREY. Mr. President, when two cloture motions are pending what determines the order in which they are taken up?

The ACTING PRESIDENT pro tempore. The order in which they were filed.

Mr. HUMPHREY. Was not the Breyer nomination cloture motion first filed?

The ACTING PRESIDENT pro tempore. The Chair is advised it was not.

Mr. HUMPHREY. Very well.

Then what is the sequence of events then? How much time separates the two cloture votes?

The ACTING PRESIDENT pro tempore. The Chair will respond to the inquiry that there would be no time between the two cloture votes if the first one fails. If the first one carries it would be indeterminate.

Mr. HUMPHREY. I thank the Chair.

ALLOCATION OF TIME FOR DEBATE ON FAIR HOUSING CLOTURE MOTION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the orders for the recognition of the four Senators on tomorrow, there be 15 minutes for debate on the motion to invoke cloture, the 15 minutes to be equally divided.

Mr. BAKER. Mr. President, is that on the fair housing bill?

Mr. ROBERT C. BYRD. Yes. That would be on the motion to invoke cloture on the fair housing bill. Otherwise, we have shut up the debate.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. MATHIAS. Mr. President, reserving the right to object, and I certainly have no objection, but it would not be the contemplation of the majority leader that the vote would occur in any event before 10 a.m., would it? It could be that Senators who are recognized might speak so briefly or might decide not to extend their remarks. I just wish to be clear. The cloture vote would not occur before 10 a.m.?

Mr. ROBERT C. BYRD. No; it would not.

Mr. MATHIAS. Under any circumstances?

Mr. ROBERT C. BYRD. No.

Several Senators addressed the Chair.

Mr. ROBERT C. BYRD. Mr. President, I still have the floor. I hope Senators will indulge me.

Mr. President, was it agreed that there would be 15 minutes?

Mr. STEVENS. Yes.

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

Mr. ROBERT C. BYRD. Mr. President, I yield to the Senator from Rhode Island briefly.

Mr. PELL. I thank the Senator.

Mr. President, I have a tribute here to Senator MAGNUSON, a dear and beloved colleague.

TRIBUTE TO SENATOR MAGNUSON

Mr. PELL. Mr. President, I am delighted and pleased to have cosponsored the resolution honoring our distinguished and fine colleague, Senator MAGNUSON, by designating the clinical center of the National Institutes of Health as the Warren G. Magnuson Clinical Center.

Senator MAGNUSON's leadership and accomplishments in the cause of better health for the American people are indeed monumental. He has been not only a prime mover in establishing the National Cancer Institute and the National Heart Institute but the essential force in assuring strong, balanced, and highly effective programs at the entire National Institutes of Health.

The greatest tribute to Senator MAGNUSON in the field of health care are the tens of thousands of Americans who are alive today because of the great progress in treatment and prevention of disease spearheaded by the National Institutes of Health.

These accomplishments in health care might be a sufficient lifetime accomplishment for most men, but Senator MAGNUSON's leadership and accomplishments in the Senate have extended to many other fields.

As chairman of the Senate Subcommittee on Education, Arts and Humanities, I am particularly aware of his strong and indispensable support and leadership on the Appropriations Committee in pressing for adequate funding of Federal educational programs.

Nor should we overlook WARREN MAGNUSON's contributions in fields such as transportation and marine research and development and fisheries.

I have shared Senator MAGNUSON's interest and concern in these fields. When I first came to the Senate I proposed a program to rebuild and modernize our Nation's rail passenger system, particularly in the Northeast. Senator MAGNUSON, as chairman of the Senate Commerce Committee, provided the encouragement and the support which resulted in the Metroliner service between Washington and New York and the entire Northeast Corridor improvement project. It is no exaggeration to say that without Senator MAGNUSON's work there might today be no rail passenger service at all remaining in the Nation at a time when alternatives to auto and air travel between cities are most needed.

Senator MAGNUSON has been referred to as "Mr. Health" of the U.S. Senate. He has also been "Mr. Oceanography." He was among the first to recognize in the 1960's the importance of developing this Nation's marine science and resource capabilities. It was with his endorsement and vital support that my proposal for a national sea grant college program was enacted. Indeed, whenever those concerned with this Nation's marine and ocean resources have needed encouragement and leadership, they have looked to Senator MAGNUSON and they have not been disappointed.

WARREN MAGNUSON has been a truly great U.S. Senator. The Nation is in his debt. The Senate will miss him, and I shall miss him greatly, too.

I yield the floor.

Mr. MAGNUSON. I thank the Senator.

Mr. STEVENS. Mr. President, will the Senator yield to me?

Mr. ROBERT C. BYRD. Mr. President, if I can get this time agreement then I wish to yield the floor.

Mr. President, Mr. PROXMIRE wishes to call up a conference report on the HUD appropriations bill, and I do not wish to delay him.

TIME-LIMITATION AGREEMENT—H.R. 7112

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that with reference to Calendar Order No. 1148, H.R. 7112 on revenue sharing there be a time agreement as follows:

One hour equally divided on the bill to be divided between Mr. LONG and Mr. DOLE; 30 minutes equally divided on any amendments in the first degree; 20 minutes equally divided on any amendment in the second degree; 10 minutes on any debatable motion, point of order or appeal if such point of order is submitted to the Senate by the Chair; that the agreement be in the usual form with the exception of the following amendments:

That there be 30 minutes on an amendment by Mr. BRADLEY adding money for the countercyclical program; 30 minutes on an amendment by Mr. BRADLEY striking the Levitas language; 30 minutes on an amendment by Mr. BRADLEY adding territories as recipients; 30 minutes on an amendment by Mr. SASSER dealing with single audit requirements; 30 minutes on an amendment by Mr. LEVIN dealing with local bill of rights; 30 minutes on an amendment by Mr. MITCHELL authorizing State share in fiscal year 1981; 10 minutes on an amendment by Mr. DOLE having to do with a study of categorical program tradeoff; 30 minutes on an amendment by Mr. EXON dealing with five State pilot projects to allow States to use categorical programs as State share block grants in fiscal year 1981; 10 minutes on an amendment by Mr. LEVIN dealing with Michigan audit waivers; 10 minutes on an amendment by Mr. LONG with respect to Louisiana sheriffs; and no limit on an amendment by Mr. DANFORTH dealing with State severance tax.

Mr. PROXMIRE. Mr. President, will the Senator yield on this unanimous-consent request?

Mr. ROBERT C. BYRD. I yield.

Mr. PROXMIRE. Does the Senator include an amendment that would permit the Senate to vote to include additional share for State revenue sharing? Is there such an amendment?

Mr. ROBERT C. BYRD. I beg the Senator's pardon.

Mr. PROXMIRE. Is there an amendment added to the bill that would add funds to State revenue sharing?

Mr. ROBERT C. BYRD. Yes.

Mr. PROXMIRE. There is?

Mr. ROBERT C. BYRD. Yes.

Mr. PROXMIRE. How much time is allowed?

Mr. ROBERT C. BYRD. Thirty minutes.

Mr. PROXMIRE. Thirty minutes?

Mr. ROBERT C. BYRD. Yes.

Mr. PROXMIRE. Reluctantly I do not object.

Mr. ROBERT C. BYRD. I thank the distinguished Senator.

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

The text of the unanimous-consent agreement follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That when the Senate proceeds to the consideration of H.R. 7112 (Order No. 1148), The Revenue Sharing Act, debate on any amendment in the first degree (except for the following amendments):

(1) 30 minutes: Bradley—Adding money for countercyclical program.

(2) 30 minutes: Bradley—Striking the Levitas language.

(3) 30 minutes: Bradley—Adding territories as recipients.

(4) 30 minutes: Sasser—Single audit requirements.

(5) 30 minutes: Levin—Local bill of rights.

(6) 30 minutes: Mitchell—Authorizing state share in fiscal year 1981.

(7) 10 minutes: Dole—Study of categorical program trade-off.

(8) 30 minutes: Exon—5 State pilot projects to allow States to use categorical programs as State share block grants in fiscal year 1981.

(9) 10 minutes: Levin—Michigan audit waivers.

(10) 10 minutes: Long—Louisiana Sheriffs.

(11) No limit: Danforth—State severance Tax.

shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill; debate on any amendment in the second degree shall be limited to 20 minutes, to be equally divided and controlled by the mover of such and the manager of the bill; and debate on any debatable motion, appeal, or point of order which is submitted or on which the Chair entertains debate shall be limited to 10 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided*, That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of final passage of the said bill, debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the Senator from Louisiana (Mr. Long) and the Senator from Kansas (Mr. Dole): *Provided*, That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion, appeal, or point of order.

Mr. BAKER. Mr. President, will the majority leader yield to me for one brief moment?

Mr. ROBERT C. BYRD. I yield.

ALLOCATION OF TIME FOR DEBATE ON BREYER NOMINATION CLOTURE MOTION

Mr. BAKER. Mr. President, in consultation with the Senator from New Hampshire he makes the suggestion that since we provided a brief time for debate following on after the expiration of 1 hour on the fair housing matter that he would like, and I believe his colleagues on this subject would like, some time following on after that vote for a brief recapitulation of the matters before the Breyer cloture vote is taken.

Mr. ROBERT C. BYRD. Could we say 10 minutes equally divided?

Mr. HUMPHREY. Fifteen minutes.

Mr. ROBERT C. BYRD. Fifteen minutes.

I ask unanimous consent that there be——

Mr. HUMPHREY. May I interrupt the majority leader if I may?

Mr. ROBERT C. BYRD. Yes.

Mr. HUMPHREY. I ask for 15 minutes per side.

Mr. BAKER. Thirty minutes equally divided.

Mr. ROBERT C. BYRD. Much has been debated on that. We are only getting 15 minutes on the fair housing bill. Would the Senator be agreeable to 20 minutes equally divided?

Mr. HUMPHREY. All right.

TIME-LIMITATION AGREEMENT—BREYER NOMINATION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the cloture vote on the fair housing bill, if such vote fails, that there be 20 minutes equally divided for debate on the nomination of Mr. Breyer to be equally divided between Mr. HUMPHREY and Mr. KENNEDY.

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

Mr. MAGNUSON. I thank the Senator from Alaska.

H.R. 7306—TIME-LIMITATION AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on H.R. 7306, Calendar Order No. 1159, that there be a 20-minute time agreement overall to be equally divided between Mr. CANNON and the minority leader or his designee; that there be only one amendment in order to be offered by Messrs. CANNON, LAXALT, and HAYAKAWA, and that any amendment be required to be germane, and that on any debatable motion, appeal or point of order, there be a time limitation of 10 minutes to be equally divided in accordance with the usual form; and that any amendment to the amendment be germane to the amendment, and that there be a 20-minute time limitation on any amendment to the amendment.

Mr. CRANSTON. Can that be scheduled after the events already scheduled?

Mr. ROBERT C. BYRD. Yes; provided we get this agreement.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and without objection it is so ordered.

(Later the following occurred:)

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the earlier agreement with respect to H.R. 7306, insofar as the time agreement is concerned, be vitiated and that the following time agreement obtain. This has been cleared with Mr. BAKER, Mr. CANNON, Mr. LAXALT, and Mr. HAYAKAWA.

I ask unanimous consent that there be 20 minutes overall on H.R. 7306 and only one amendment in order to be offered by Senators CANNON, LAXALT, and HAYAKAWA, with no amendment in the second degree.

Mr. MATHIAS. Mr. President, reserving the right to object, I wonder if the distinguished majority leader will withhold that request just for a moment until I get some advice on it.

Mr. ROBERT C. BYRD. I have cleared it with Mr. BAKER.

Mr. MATHIAS. In that event, I have no objection.

Mr. ROBERT C. BYRD. I thank the distinguished Senator.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Chair will inquire if the part making this the first order of business after revenue sharing still stands?

Mr. ROBERT C. BYRD. Yes. I only vitiated the agreement insofar as the time agreement.

UNANIMOUS-CONSENT AGREEMENT

Ordered, That immediately following the Revenue Sharing Act the Senate proceed to H.R. 7306 (Order No. 1159), Nevada Lands Act, and that there be 20 minutes overall on the Act and that a Cannon, Laxalt, Hayakawa amendment be the only amendment in order.

ORDER OF PROCEDURE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the revenue-sharing measure that the Senate proceed to the consideration of H.R. 7306.

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

Mr. ROBERT C. BYRD. Mr. President, I apologize to the distinguished Senator from Wisconsin who has been very patiently awaiting the opportunity to call up the HUD appropriation conference report.

Mr. CRANSTON. I thank the leader for his cooperation.

HOUSING AND URBAN DEVELOPMENT AND INDEPENDENT AGENCIES APPROPRIATIONS, 1981—CONFERENCE REPORT

Mr. PROXMIRE. Mr. President, I submit a report of the committee of conference on H.R. 7631 and ask for its immediate consideration.

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

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7631) making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1981, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The ACTING PRESIDENT pro tempore. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of November 21, 1980.)

Mr. PROXMIRE. The conference report before us today reflects the decisions reached by the House and Senate conferees on fiscal year 1981 funding levels for the Department of Housing and Urban Development, the Environmental Protection Agency (EPA), the Veterans' Administration, the National Science Foundation, the Federal Emergency Management Agency, the National Aeronautics and Space Administration, and the general revenue sharing program. The report also covers 13 other smaller Federal agencies, boards, offices, and commissions which are included in H.R. 7631, the HUD-Independent Agencies appropriation bill.

The conference report as passed by the House recommends that the Congress provide a total of $74,126,287,000 in

new budget authority in fiscal year 1981 for these departments, agencies, and other organizations. This amount is $829,923,000 more than the level of funding provided in fiscal year 1980, primarily attributable to increases of $3,400,000,000 in the Department of Housing and Urban Development's assisted housing program, $296,414,000 in NASA's budget, and $290,785,000 in the budget of the Veterans' Administration, offset in part by a $2,285,000,000 reduction in the revenue sharing program through the elimination of the State share, and a $994,812,000 general reduction across all agency accounts.

The conference report as passed by the House is $3,961,801,000 under the President's budget estimate. Technically speaking, the conference agreement is a staggering $34,460,580,000 more than the House-passed bill. However, the House deferred consideration of two major budget requests that account for all of this amount—$30,877,500,000 for assisted housing and $4,396,200,000 for NASA's research and development activities. In fact, if these two items were added to the House-passed bill, the conference agreement would be $812,620,000 less than the House-passed bill. I am pleased to note that the total recommended by the conference committee is approximately $1,474,000,000 below the ceiling established for the HUD-Independent Agencies Appropriation Subcommittee under the first budget resolution. I should caution my colleagues in the Senate, however, that supplemental budget requirements for the Veterans' Administration, the Environmental Protection Agency, and other agencies covered by this appropriation bill could jeopardize this budget ceiling in the coming fiscal year.

Mr. President, let me briefly discuss the major conference agreements that were reached on November 20 and passed by the House earlier this week.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Virtually half of the budget authority in the House-passed conference report is the programs of the Department of Housing and Urban Development—$36,910,223,000 to be exact—with the major portion of this total for the assisted housing program. The conferees agreed to provide $1,487,400,000 in new contract authority and $30,877,500,000 in new budget authority to support subsidized housing projects for a period of up to 40 years. Included in these amounts is an add-on of $70,000,000 in contract authority to rejuvenate the standard, low-income section 235 homeownership assistance program which, together with $2,100,000,000 of anticipated carryover funds from annual contributions for assisted housing for section 235, should produce approximately 20,000 units of subsidized housing for eligible low-income housing recipients.

The conferees also agreed to provide within the total new budget authority for assisted housing, $100,000,000 for comprehensive modernization activities and sufficient authority to support 6,000 units of Indian housing.

Other significant conference agreements in the housing and community development area include the following: $855,000,000 in the loan limitation for the section 202 housing for the elderly or handicapped program; $970,800,000 for payments for the operation of low-income housing projects, including $108,800,000 of the $113,800,000 added on the Senate floor for energy-related shortfalls in the program; $3,770,000,000 for community development block grants—a reduction of $180,000,000 below the budget estimate; $33,750,000 for the section 701 comprehensive planning grant program; $134,000,000 for the section 312 rehabilitation loan program, and $572,609,000 for HUD salaries and expenses, including support for 33 new positions in the Office of the Inspector General.

The conferees also recommended the transfer of $125,000,000 from the Department of Energy's solar and conservation reserve to the newly-formed Solar Energy and Energy Conservation Bank, as proposed by the Senate.

INDEPENDENT AGENCIES

ENVIRONMENTAL PROTECTION AGENCY

The conferees agreed to a total appropriation of $4,752,876,000 for the activities of the Environmenal Protection Agency, which is $358,775,000 below the budget estimate but $22,311,000 more than the level of funding proposed by the House. Within this total, the conferees made a number of changes in the President's budget request.

The conferees recommended the appropriation of $547,558,000 for salaries and expenses at EPA, which is identical to the Senate-passed figure and $20,374,000 million below the budget estimate. Significant actions taken by the conferees in this account are:

A reduction of $5,800,000 for consultant services, leaving a consultant budget of $7,200,000 for fiscal year 1981.

A reduction of $850,000 in the travel budget including $250,000 in foreign travel, leaving a total of $16,864,000.

The provision of $5,911,000 of the total requested in House Document 96–368 for salaries and expenses for hazardous waste activities.

Although this figure is not identified in the statement of the managers, it was the clear intention of the conferees to provide these funds.

The conferees agreed to a reseach and development budget of $253,520,000, which is $16,863,000 below the budget estimate, including $8,400,000 for acid rain research, $1,900,000 for ground water research, $2,654,000 for Great Lakes research, and a general reduction of $12,214,000 to be appiled at the agency's discretion. The conferees agreed to delete $2,244,000 provided by the Senate for hazardous waste research in response to the budget amendment set forth in House Document 96–368.

The conferees also earmarked, within the total appropriation, $900,000 for cold climate research.

The conferees settled on a total of $545,183,000 for abatement, control, and compliance activities, which is $18,000,000 below the budget estimate. Included in this amount is funding for the following activities: $11,000,000 for clean lakes; $4,000,000 for local resource recovery financial assistance grants; $51,230,000 for section 106 State water control agency grants; $1,000,000 for academic training; $1,500,000 to begin the cleanup of PCBs in Waukegan Harbor; $34,292,000 for the pesticide program; $7,845,000 of the total requested in House Document 96–368; for hazardous waste activities and a general reduction of $7,500,000 to be applied at the discretion of the Agency.

The conferees also earmarked a total of $709,000 within the abatement, control, and compliance budget for continuation of the Flathead River basin environmental impact study.

Finally, for the second year in a row the conferees recommended the elimination of all funding for the EPA's foreign currency program in fiscal year 1981 in view of the availability of approximately $1,000,000 in carryover funds from fiscal year 1980.

FEDERAL EMERGENCY MANAGEMENT AGENCY

Although the budget totals for the Federal Emergency Management Agency (FEMA) were not in dispute in conference, the conferees did agree to strike the House bill language which would have limited to 75 percent Federal contributions to repair or restore damaged public facilities under the disaster relief program. The conferees agreed, however, that a discretionary cost sharing policy currently being utilized by FEMA be continued and that the policy be reviewed by the appropriate legislative committees in the future.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

The conferees agreed to recommend a total of $4,396,200,000 for the research and development activities of the National Aeronautics and Space Administration (NASA). The House had deferred consideration of this account, while the Senate had provided $4,430,000,000.

The conferees recommended funding limitations on a number of major NASA R. & D. initiatives, including the Space Telescope, Project Galileo, Landsat D, and the new start Gamma Ray Observatory.

The conference committee also recommended significant add-ons above the President's budget estimate for the following activities: Plus $6,100,000 for physics and astronomy research and analysis; plus $4,100,000 for life sciences research and analysis; plus $4,300,000 for planetary mission operations and data analysis; plus $4,000,000 for technology transfer program activities; plus $10,250,000 for aeronautics and space technology; plus $7,000,000 to initiate development of a solar electric propulsion system (SEPS); plus $5,000,000 for an operational land observing system; and plus $2,700,000 for materials processing in space.

These add-ons were offset in part by a $5,000,000 reduction in space flight operations and the elimination of $6,750,000 for the purchase of a reconnaissance aircraft.

The conferees also agreed to an innovative new approach to tracking and monitoring technical problems and cost overruns in NASA programs through the establishment of an independent review procedure which will utilize the National Academy of Sciences and the National

Academy of Engineering. The conferees have earmarked $1,000,000 within NASA's research and program management budget to cover the cost of this new review activity in fiscal 1981.

The conferees were able to agree on an appropriation of $115,000,000 for NASA's construction of facilities program, which is $5,000,000 below the budget estimate and an identical amount above the level proposed by the House.

Finally, the conference committee recommended $1,030,000,000 for NASA's research and program management activities, instead of the $1,023,154,000 proposed by the House and the $1,032,404,000 recommended by the Senate.

NATIONAL SCIENCE FOUNDATION

The budget for the National Science Foundation as recommended by the conferees total $1,076,100,000, including $987,900,000 for research and related activities, $83,200,000 for science education, and $5,000,000 for the scientific activities overseas program. The conferees have earmarked not more than $6,000,000 for the new research opportunities grants for women program; provided an add-on above the budget of $4,100,000 for Antarctic fuel costs and a budget increase of $1,000,000 for the small business programs of the Engineering and Applied Science Directorate.

VETERANS ADMINISTRATION

The committee of conference recommended the appropriation of $20,810,526,000 for the activities of the Veterans' Administration in fiscal year 1981, a decrease of $51,566,000 below the budget estimate, but $229,389,000 more than the level of funding proposed by the Senate.

The conferees have agreed to provide a total medical care budget of $6,020,013,000 which is $61,431,000 more than the President's budget and $35,045,000 more than the Senate bill. Within this amount, the conferees recommended increases above the budget of $21,069,000 for 1,000 additional direct health-care personnel, $10,600,000 to restore 500,000 outpatient visits, $8,762,000 to treat 2,000 additional patients in community nursing homes, $15,000,000 for beneficiary travel expenses, and $6,000,000 and 176 staff years for Vietnam veterans readjustment counseling centers.

The conferees agreed to provide the budget estimate of $1,822,308,000 for readjustment benefits. This amount assumes the continuation of VA correspondence and flight training programs under newly enacted ground rules in fiscal year 1981. The conferees also agreed that there should be savings of $155,000,000 in readjustment benefit payments through an improved debt collection effort by the VA. The conference committee expects the VA to use these savings to offset a supplemental funding requirement expected in the readjustment benefits account in the current fiscal year.

The conferees also agreed to a total of $132,153,000 for medical and prosthetic research; $51,218,000 for medical administration and miscellaneous operating expenses; $627,592,000 for general operating expenses; $423,774,000 for major construction projects; and $108,908,000 for construction minor projects.

OTHER INDEPENDENT AGENCIES

Other compromises reached by the conferees would provide a total of $43,000,000 for the Consumer Product Safety Commission; $3,250,000 for the Council on Environmental Quality; $2,200,000 for the Office of Consumer Affairs; $124,700,000 for the National Consumer Cooperative Bank, including $89,000,000 for capitalization of the Bank in fiscal 1981; $12,713,000 for the Neighborhood Reinvestment Corporation; and $8,967,000 for the American Battle Monuments Commission.

GENERAL PROVISIONS

A number of general provisions contained in the House and Senate versions of the bill were in dispute in conference. The conferees agreed to a compromise 2-percent general reduction across agency accounts, granting the Office of Management and Budget the authority to reduce any one account by as much as 3 percent. This cut applies to all agencies covered by the bill except for the VA and entitlement programs.

Among the other general provisions agreed to by the conferees are:

A Senate-passed provision prohibiting agencies funded in the bill from obligating more than 30 percent of available budget authority during the last quarter of the fiscal year and more than 15 percent during any month in the last quarter of the fiscal year without the approval of the Director of OMB.

A Senate-passed provision requiring the resolution of currently unresolved audits by the end of fiscal 1981.

A Senate-passed provision requiring agencies to take action to improve the collection of overdue debts.

The elimination of a Senate-passed provision cutting consulting services in three major agencies. (HUD, EPA, and NASA).

A Senate-passed provision reducing amounts available for advertising or public relations activities for any agency funded by the bill except the Veterans' Administration by 10 percent.

Mr. President, I believe that the conference agreement reached 2 weeks ago by the House-Senate conferees is a good compromise. It is well under the budget estimate—$3,900,000,000 to be exact—and I feel the conference report as approved by the House represents on balance a fair accommodation of the conflicting interests of the two Houses.

I ask unanimous consent that a table setting forth the results of the conference agreement be printed in the RECORD at this point.

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

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY

[Fiscal years—amounts in dollars]

	New budget authority					Conference compared with—			
	1980 enacted	1981 estimates	1981 House	1981 Senate	1981 conference	1980 enacted	1981 estimate	House bill	Senate bill
TITLE I									
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT									
Housing Programs									
Annual contributions for assisted housing (contract authority)	26,680,128,000	33,196,631,000		30,877,500,000	30,877,500,000	+4,197,372,000	−2,319,131,000	−30,877,500,000	
(Increased limitation for annual contract authority)	(1,140,661,000)	(1,553,661,000)		(1,417,400,000)	(1,487,400,000)	(+346,739,000)	−(66,621,000)	(+1,487,400,000)	(+70,000,000)
Rent supplement (contract authority, indefinite)	−80,000,000	−1,050,000,000	−1,050,000,000	−1,050,000,000	−1,050,000,000	−970,000,000			
(Limitation on annual contract authority, indefinite)	(−2,000,000)	(−30,000,000)	(−30,000,000)	(−30,000,000)	(−30,000,000)	(−28,000,000			
Housing payments (appropriation to liquidate contract authority)	(6,274,037,000)	(7,127,000,000)	(7,127,000,000)	(7,127,000,000)	(7,127,000,000)	(+852,963,000)			
Housing for the elderly or handicapped fund (authority to borrow)	803,205,000	780,070,000	780,070,000	830,070,000	805,000,000	+1,865,000	+25,000,000	−25,000,000	−25,000,000
(Limitation on loans)	(830,000,000)	(830,000,000)	(830,000,000)	(880,000,000)	(855,000,000)	(+25,000,000)	(+25,000,000)	(+25,000,000)	(−25,000,000)
(Limitation on loans, prior authority)		(65,000,000)	(65,000,000)	(65,000,000)	(65,000,000)	(+65,000,000)			
Payments for operation of low-income housing projects	755,300,000	975,800,000	862,000,000	975,800,000	970,800,000	+215,500,000	−5,000,000	+108,800,000	−5,000,000
Troubled projects operating subsidy	79,500,000	31,100,000	21,100,000	15,000,000	18,050,000	−61,450,000	−13,050,000	−3,050,000	+3,050,000
Federal Housing Administration fund	194,850,000	268,640,000	268,640,000	230,000,000	268,640,000	+73,790,000			+38,640,000
(Limitation on commitments)		(34,154,732,000)	(34,154,732,000)	(34,154,732,000)	(34,154,732,000)	(+34,154,732,000)			
Nonprofit sponsor assistance (limitation on loans)		(2,300,000)	(2,300,000)	(2,3000,00	(2,300,000)	(+2,300,000)			
Low-rent public housing—loans and other expenses (appropriation to liquidate contract authority by transfer)	(1,995,325,000)					(−1,995,325,000)			

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY—Continued
[Fiscal years—amounts in dollars]

	New budget authority					Conference compared with—			
	1980 enacted	1981 estimates	1981 House	1981 Senate	1981 conference	1980 enacted	1981 estimate	House bill	Senate bill
Government National Mortgage Association									
Special assistance functions fund:									
Appropriation	150,000,000					−150,000,000			
(Recapture of repayments)	(2,000,000,000)					(−2,000,000,000)			
(Limitation on loans)		(1,800,000,000)	(1,800,000,000)	(1,800,000,000)	(1,800,000,000)	(+1,800,000,000)			
Payment of participation sales insufficiencies	16,971,000	4,967,000	4,967,000	4,967,000	4,967,000	−12,004,000			
Mortgage assistance grant program		30,000,000					−30,000,000		
Guarantees of mortgage-backed securities (limitation on commitments)		(53,000,000,000)	(53,000,000,000)	(53,000,000,000)	(53,000,000,000)	(+53,000,000,000)			
Total, Government National Mortgage Association	166,971,000	34,967,000	4,967,000	4,967,000	4,967,000	−162,004,000	−30,000,000		
SOLAR ENERGY AND ENERGY CONSERVATION BANK									
Assistance for solar and conservation improvements (by transfer)		(147,500,000)	(90,000,000)	(125,000,000)	(125,000,000)	(+125,000,000)	(−22,500,000)	(+35,000,000)	
Total, Housing Programs (net)	28,599,954,000	34,237,208,000	886,777,000	31,883,337,000	31,895,027,000	+3,295,073,000	−2,342,181,000	+31,008,250,000	+11,690,000
COMMUNITY PLANNING AND DEVELOPMENT									
Community development grants	3,900,000,000	3,950,000,000,	3,810,000,000	3,750,000,000	3,770,000,000	−130,000,000	−180,000,000	−40,000,000	+20,000,000
Rescission	−153,200,000					+153,200,000			
(Limitation on commitments)		(250,000,000)	(250,000,000)	(250,000,000)	(250,000,000)	(+250,000,000)			
Urban development action grants	675,000,000	675,000,000	675,000,000	675,000,000	675,000,000				
Congregate Service Program	10,000,000		10,000,000	10,000,000	10,000,000		+10,000,000		
Comprehensive planning grants	37,500,000	40,000,000	22,500,000	40,000,000	33,750,000	−3,750,000	−6,250,000	+11,250,000	−6,250,000
Rehabilitation loan fund	135,000,000	124,000,000	144,000,000	124,000,000	134,000,000	−1,000,000	+10,000,000	−10,000,000	+10,000,000
Rescission	−25,500,000					+25,500,000			
(Limitation on loans)		(176,000,000)	(196,000,000)	(176,000,000)	(186,000,000)	(+186,000,000)	(+10,000,000)	(−10,000,000)	(+10,000,000)
(Limitation on loans, prior authority)		(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)	(+15,000,000)			
Total, Community Planning and Development	4,578,800,000	4,789,000,000	4,661,500,000	4,599,000,000	4,622,750,000	+43,950,000	−166,250,000	−38,750,000	+23,750,000
NEIGHBORHOODS, VOLUNTARY ASSOCIATIONS AND CONSUMER PROTECTION									
Housing counseling assistance	9,000,000	10,000,000	10,000,000	10,000,000	10,000,000	+1,000,000			
Neighborhood self-help development program	10,000,000	10,000,000	9,000,000	9,000,000	9,000,000	−1,000,000	−1,000,000		
Total, Neighborhoods, Voluntary Associations and Consumer Protection	19,000,000	20,000,000	19,000,000	19,000,000	19,000,000		−1,000,000		
POLICY DEVELOPMENT AND RESEARCH									
Research and technology	44,650,000	52,100,000	50,000,000	44,650,000	44,650,000		−7,450,000	−5,350,000	
FAIR HOUSING AND EQUAL OPPORTUNITY									
Fair Housing Assistance	3,700,000	5,700,000	3,700,000	5,700,000	5,700,000	+2,000,000		+2,000,000	
MANAGEMENT AND ADMINISTRATION									
Salaries and expenses	287,197,000	337,943,000	326,433,000	322,443,000	323,096,000	+35,899,000	−14,847,000	−3,337,000	+653,000
(By transfer, FHA funds)	(266,963,000)	(249,513,000)	(249,513,000)	(249,513,000)	(249,513,000)	(−17,450,000)			
Total, title I, Department of Housing and Urban Development:									
New budget (obligational) authority (net)	33,533,301,000	39,441,951,000	5,947,410,000	36,874,130,000	36,910,223,000	+3,376,922,000	−2,531,728,000	+30,962,813,000	+36,098,000
Appropriations	6,308,668,000	6,515,250,000	6,217,340,000	6,216,560,000	6,277,653,000	−31,015,000	−237,597,000	+60,313,000	+61,093,000
Rescissions	−178,700,000					+178,700,000			
Contract authority	26,680,128,000	33,196,631,000		30,877,500,000	30,877,500,000	+4,197,372,000	−2,319,131,000	+30,877,500,000	
Contract authority, indefinite	−80,000,000	−1,050,000,000	−1,050,000,000	−1,050,000,000	−1,050,000,000	−970,000,000			
Authority to borrow	803,205,000	780,070,000	780,070,000	830,070,000	805,070,000	+1,865,000	+25,000,000	+25,000,000	−25,000,000
(Appropriation to liquidate contract authority)	(8,269,362,000)	(7,127,000,000)	(7,127,000,000)	(7,127,000,000)	(7,127,000,000)	(−1,142,362,000)			
(Increased limitation for annual contract authority)	(1,140,661,000)	(1,553,661,000)		(1,417,400,000)	(1,487,400,000)	(+346,739,000)	(−66,261,000)	(+1,487,400,000)	(+70,000,000)
(Limitation on annual contract authority, indefinite)	(−2,000,000)	(−30,000,000)	(−30,000,000)	(−30,000,000)	(−30,000,000)	(−28,000,000)			
(Limitation on commitments)		(87,404,732,000)	(87,404,732,000)	(87,404,732,000)	(87,404,732,000)	(+87,404,732,000)			
(Limitation on loans)	(830,000,000)	(2,808,300,000)	(2,828,300,000)	(2,858,300,000)	(2,843,300,000)	(+2,013,300,000)	(+35,000,000)	(+15,000,000)	(−15,000,000)
(Limitation on loans, prior authority)		(80,000,000)	(80,000,000)	(80,000,000)	(80,000,000)	(+80,000,000)			
(Limitation on corporate funds to be expended)	(266,963,000)	(249,513,000)	(249,513,000)	(249,513,000)	(249,513,000)	(−17,450,000)			
TITLE II									
INDEPENDENT AGENCIES									
AMERICAN BATTLE MONUMENTS COMMISSION									
Salaries and expenses	8,200,000	8,897,000	8,967,000	8,897,000	8,967,000	+767,000	+70,000		+70,000

	New budget authority					Conference compared with—			
	1980 enacted	1981 estimates	1981 House	1981 Senate	1981 conference	1980 enacted	1981 estimate	House bill	Senate bill
CONSUMER PRODUCT SAFETY COMMISSION									
Salaries and expenses	41,360,000	43,489,000	43,489,000	43,000,000	43,000,000	+1,640,000	−489,000	−489,000	
DEPARTMENT OF DEFENSE—CIVIL									
Cemeterial Expenses, Army									
Salaries and expenses	8,326,000	5,135,000	5,135,000	5,135,000	5,135,000	−3,191,000			
ENVIRONMENTAL PROTECTION AGENCY									
Salaries and expenses	516,119,000	567,932,000	540,947,000	547,553,000	547,558,000	+31,439,000	−20,374,000	+6,611,000	
Research and development	237,568,000	270,383,000	252,280,000	253,520,000	253,520,000	+15,952,000	−16,853,000	+1,240,000	
Abatement, control and compliance	512,892,000	563,183,000	531,333,000	551,193,000	545,183,000	+32,291,000	−18,000,000	+13,815,000	−6,000,000
Buildings and facilities	1,425,000	5,815,000	3,000,000	4,115,000	4,115,000	+2,690,000	−1,700,000	+1,115,000	
Construction grants:									
Appropriation	3,400,000,000	3,700,000,000	3,400,000,000	3,400,000,000	3,400,000,000		−300,000,000		
(Appropriation to liquidate contract authority)	(1,500,000,000)	(1,700,000,000)	(1,700,000,000)	(1,700,000,000)	(1,700,000,000)	(+200,000,000)			
Scientific activities overseas (special foreign currency program)		1,000,000	1,000,000				−1,000,000	−1,000,000	
U.S. Regulatory Council	2,538,000	3,338,000	2,000,000	3,000,000	2,500,000	−38,000	−838,000	+500,000	−500,000
Total, Environmental Protection Agency	4,670,542,000	5,111,651,000	4,730,565,000	4,759,376,000	4,752,876,000	+82,334,000	−358,775,000	+22,311,000	−6,500,000
EXECUTIVE OFFICE OF THE PRESIDENT									
Council on Environmental Quality and Office of Environmental Quality	3,126,000	3,400,000	3,200,000	3,300,000	3,250,000	+124,000	−150,000	+50,000	−50,000
Office of Science and Technology Policy	2,625,000	2,921,000	2,712,000	2,712,000	2,712,000	+87,000	−209,000		
Total, Executive Office of the President	5,751,000	6,321,000	5,912,000	6,012,000	5,962,000	+211,000	−359,000	+50,000	−50,000
FEDERAL EMERGENCY MANAGEMENT AGENCY									
Funds appropriated to the President, disaster relief	1,063,600,000	375,570,000	375,570,000	375,570,000	375,570,000	−688,030,000			
Emergency planning, preparedness and mobilization	131,521,000	159,017,000	159,017,000	159,017,000	159,017,000	+27,496,000			
Hazard mitigation and disaster assistance	118,709,000	113,151,000	109,350,000	109,350,000	109,350,000	−9,359,000	−3,801,000		
National flood insurance fund		603,000,000	575,000,000	575,000,000	575,000,000	+575,000,000	−28,000,000		
Total, Federal Emergency Management Agency	1,313,830,000	1,250,738,000	1,218,937,000	1,218,937,000	1,218,937,000	−94,893,000	−31,801,000		
GENERAL SERVICES ADMINISTRATION									
Consumer Information Center	1,315,000	1,421,000	1,409,000	1,409,000	1,409,000	+94,000	−12,000		
DEPARTMENT OF HEALTH AND HUMAN SERVICES									
Office of Consumer Affairs	1,904,000	2,457,000	2,308,000	2,100,000	2,200,000	+296,000	−257,000	−108,000	+100,000
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION									
Research and development	4,092,500,000	4,364,500,000		4,430,000,000	4,396,200,000	+303,700,000	+31,700,000	+4,396,200,000	−33,800,000
Construction of facilities	156,100,000	120,000,000	110,000,000	120,000,000	115,000,000	−41,100,000	−5,000,000	+5,000,000	−5,000,000
Research and program management	996,186,000	1,033,154,000	1,023,154,000	1,032,404,000	1,030,000,000	+33,814,000	−3,154,000	+6,846,000	−2,404,000
Total, National Aeronautics and Space Administration	5,244,786,000	5,517,654,000	1,133,154,000	5,582,404,000	5,541,200,000	+296,414,000	+23,546,000	+4,408,046,000	−41,204,000
NATIONAL COMMISSION ON AIR QUALITY									
Salaries and expenses	5,500,000	2,476,000	2,000,000	2,000,000	2,000,000	−3,500,000	−476,000		
NATIONAL CONSUMER COOPERATIVE BANK									
Salaries and expenses	7,395,000	10,241,000	8,700,000	9,800,000	8,700,000	+1,305,000	−1,541,000		−1,100,000
Self-help development	10,500,000	33,393,000	29,000,000	27,000,000	27,000,000	+16,500,000	−6,393,000	−2,000,000	
(Limitation on loans)		(41,108,000)	(37,108,000)	(41,108,000)	(41,108,000)	(+41,108,000)		(+4,000,000)	
National Consumer Cooperative Bank Fund:									
(Limitation on loans)	(49,050,000)	(98,770,000)	(98,770,000)	(169,050,000)	(169,050,000)	(+120,000,000)	(+70,280,000)	(+70,280,000)	
(Limitation on commitments)		(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(+5,000,000)			
Total, National Consumer Cooperative Bank	17,895,000	43,634,000	37,700,000	36,800,000	35,700,000	+17,805,000	−7,934,000	−2,000,000	−1,100,000
NATIONAL CREDIT UNION ADMINISTRATION									
Central liquidity facility:									
(Limitation on borrowing authority)	(300,000,000)	(600,000,000)	(600,000,000)	(600,000,000)	(600,000,000)	(+300,000,000)			
(Limitation on loans)		(4,400,000,000)	(4,400,000,000)	(4,400,000,000)	(4,400,000,000)	(+4,400,000,000)			
(Limitation on administrative expenses)	(1,756,000)	(1,936,000)	(1,936,000)	(1,936,000)	(1,936,000)	(+180,000)			

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY—Continued

[Fiscal years—amounts in dollars]

	New budget authority					Conference compared with—			
	1980 enacted	1981 estimates	1981 House	1981 Senate	1981 conference	1980 enacted	1981 estimate	House bill	Senate bill
NATIONAL INSTITUTE OF BUILDING SCIENCES									
Salaries and expenses	750,000	625,000	625,000	625,000	625,000	−125,000			
NATIONAL SCIENCE FOUNDATION									
Research and related activities	904,050,000	992,800,000	982,800,000	992,900,000	987,900,000	+83,850,000	−4,900,000	+5,100,000	−5,000,000
Science education activities	84,700,000	75,700,000	75,700,000	80,700,000	83,200,000	−1,500,000	+7,500,000	−2,500,000	+2,500,000
Rescission	−2,500,000					+2,500,000			
Scientific activities overseas (special foreign currency program)	5,500,000	5,500,000	5,500,000	5,000,000	5,000,000	−500,000	−500,000	−500,000	
Total, National Science Foundation	991,750,000	1,074,000,000	1,074,000,000	1,078,600,000	1,076,100,000	+84,350,000	+2,100,000	+2,100,000	−2,500,000
NEIGHBORHOOD REINVESTMENT CORPORATION									
Salaries and expenses	12,000,000,	13,426,000	12,000,000	13,426,000	12,713,000	+713,000	−713,000	+713,000	−713,000
SELECTIVE SERVICE SYSTEM									
Salaries and expenses	8,180,000	35,482,000	27,137,000	27,137,000	27,137,000	+18,957,000	−8,345,000		
DEPARTMENT OF THE TREASURY									
ernment fiscal assistance trust fund	6,854,924,000	4,569,949,000	4,569,949,000	4,569,949,000	4,569,949,000	−2,284,975,000			
Office of Revenue Sharing, salaries and expenses	6,237,000	6,618,000	6,518,000	6,518,000	6,518,000	+281,000	−100,000		
Local government transitional assistance program		(500,000,000)					(−500,000,000)		
New York City loan guarantee program, administrative expenses	1,022,000	1,072,000	922,000	922,000	922,000	−100,000	−150,000		
(Limitation on commitments)		(900,000,000)	(900,000,000)	(900,000,000)	(900,000,000)	(+900,000,000)			
Investment in National Consumer Cooperative Bank	49,050,000	89,000,000	89,000,000	89,000,000	89,000,000	+39,950,000			
Total, Department of the Treasury	6,911,233,000	4,666,639,000	4,666,389,000	4,666,389,000	4,666,389,000	−2,244,844,000	−250,000		
VETERANS' ADMINISTRATION									
Compensation and pensions	11,201,800,000	11,602,000,000	11,602,000,000	11,602,000,000	11,602,000,000	+400,200,000			
Readjustment benefits	2,278,535,000	1,822,308,000	1,766,047,000	1,642,086,000	1,822,308,000	−456,227,000		+56,261,000	+179,502,000
Veterans insurance and indemnities	5,400,000	1,360,000	1,360,000	1,360,000	1,360,000	−4,040,000			
Medical care	5,834,970,000	5,958,582,000	6,044,013,000	5,984,968,000	6,020,013,000	+185,043,000	+61,431,000	−24,000,000	+35,045,000
Medical and prosthetic research	125,847,000	129,496,000	129,496,000	134,810,000	132,153,000	+6,306,000	+2,657,000	+2,657,000	−2,657,000
Medical administration and miscellaneous operating expenses	48,205,000	55,707,000	55,312,000	50,418,000	51,218,000	+3,013,000	−4,489,000	−4,094,000	+800,000
General operating expenses	616,609,000	611,631,000	611,631,000	627,592,000	627,592,000	+10,983,000	+15,961,000	+15,961,000	
Construction, major projects	321,292,000	519,354,000	390,583,000	407,075,000	423,774,000	+102,482,000	−95,580,000	+33,191,000	+16,699,000
Construction, minor projects	73,233,000	140,454,000	126,928,000	108,908,000	108,908,000	+35,675,000	−31,546,000	−18,020,000	
Grants for construction of State extended care facilities	7,500,000	15,000,000	15,000,000	15,000,000	15,000,000	+7,500,000			
Grants for construction of State veterans cemeteries	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000				
Grants to the Republic of the Philippines	1,350,000	1,200,000	1,200,000	1,200,000	1,200,000	−150,000			
Direct loan revolving fund (limitation on loans)		(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(+1,000,000)			
Total, Veterans' Administration	20,519,741,000	20,862,092,000	20,748,570,000	20,581,137,000	20,810,526,000	+290,785,000	−51,566,000	+61,956,000	+229,389,000
Total, title II, independent agencies:									
New budget (obligational) authority	39,763,063,000	38,646,137,000	33,718,297,000	38,033,384,000	38,210,876,000	−1,552,187,000	−435,261,000	+4,492,579,000	+177,492,000
Appropriations	39,765,563,000	38,646,137,000	33,718,297,000	38,033,384,000	38,210,876,000	−1,554,687,000	−435,261,000	+4,492,579,000	+177,492,000
Rescissions	−2,500,000					+2,500,000			
(Appropriation to liquidate contract authority)	(1,500,000,000)	(1,700,000,000)	(1,700,000,000)	(1,700,000,000)	(1,700,000,000)	(+200,000,000)			
(Limitation on borrowing authority)	(300,000,000)	(600,000,000)	(600,000,000)	(600,000,000)	(600,000,000)	(+300,000,000)			
(Limitation on commitments)		(905,000,000)	(905,000,000)	(905,000,000)	(905,000,000)	(+905,000,000)			
(Limitation on loans)	(49,050,000)	(4,540,878,000)	(4,536,878,000)	(4,611,158,000)	(4,611,158,000)	(+4,562,108,000)	(+70,280,000)	(+74,280,000)	
(Limitation on corporate funds to be expended)	(1,756,000)	(1,936,000)	(1,936,000)	(1,936,000)	(1,936,000)	(+180,000)			

	New budget authority					Conference compared with—			
	1980 enacted	1981 estimates	1981 House	1981 Senate	1981 conference	1980 enacted	1981 estimate	House bill	Senate bill
TITLE III									
CORPORATIONS									
Federal Home Loan Bank Board:									
(Limitation on administrative expenses)	(18,359,000)	(21,030,000)	(20,030,000)	(20,030,000)	(20,030,000)	(+1,671,000)	(−1,000,000)		
(Limitation on non-administrative expenses)		(33,105,000)	(33,105,000)	(33,105,000)	(33,105,000)	(+33,105,000)	(−1,000,000)		
Federal Savings and Loan Insurance Corporation, (limitation on administrative expenses)	(33,466,000)	(1,115,000)	(1,000,000)	(1,000,000)	(1,000,000)	(−32,466,000)	(−115,000)		
Totals, title III, Corporations	(51,825,000)	(56,250,000)	(54,135,000)	(54,135,000)	(54,135,000)	(+2,310,000)	(−2,115,000)		
Reduction per sec. 412 (House)			(−378,243,000)					(+379,243,000)	
Reduction per sec. 412 (Senate)				1,085,962,000	−994,812,000	−994,812,000	−994,812,000	−994,812,000	+91,150,000
Reduction per sec. 418(a)				−28,297,000					+28,297,000
Grand total, titles I, II, and III:									
New budget (obligational) authority (net)	73,296,364,000	78,088,088,000	39,665,707,000	73,793,255,000	74,126,287,000	+829,923,000	−3,961,801,000	+34,460,580,000	+333,032,000
Appropriations	46,074,231,000	45,161,387,000	39,935,637,000	43,135,685,000	43,491,717,000	−2,580,514,000	−1,667,670,000	+3,558,080,000	+358,032,000
Rescissions	−181,200,000					+181,200,000			
Contract authority	26,680,128,000	33,196,631,000		30,877,500,000	30,877,500,000	+4,197,372,000	−2,319,131,000	+30,877,500,000	
Contract authority, indefinite	−80,000,000	−1,050,000,000	−1,050,000,000	−1,050,000,000	−1,050,000,000	+970,000,000			
Authority to borrow	803,205,000	780,070,000	780,070,000	830,070,000	805,070,000	+1,865,000	+25,000,000	+25,000,000	−25,000,000
(Appropriations to liquidate contract authority)	(9,769,362,000)	(8,827,000,000)	(8,827,000,000)	(8,827,000,000)	(8,827,000,000)	(−942,362,000)			
(Increased limitation for annual contract authority)	(1,140,661,000)	(1,553,661,000)		(1,417,400,000)	(1,487,400,000)	(+346,739,000)	(−66,261,000)	(+1,487,400,000)	(+70,000,000)
(Limitation on annual contract authority, indefinite)	(−2,000,000)	(−30,000,000)	(−30,000,000)	(−30,000,000)	(−30,000,000)	(−28,000,000)			
(Limitation on borrowing authority)	(300,000,000)	(600,000,000)	(600,000,000)	(600,000,000)	(600,000,000)	(+300,000,000)			
(Limitation on commitments)		(88,309,732,000)	(88,309,732,000)	(88,309,732,000)	(88,309,732,000)	(+88,309,732,000)			
(Limitation on loans)	(879,050,000)	(7,349,178,000)	(7,365,178,000)	(7,469,458,000)	(7,454,458,000)	(+6,575,408,000)	(+105,280,000)	(+89,280,000)	(−15,000,000)
(Limitation on loans, prior authority)		(80,000,000)	(80,000,000)	(80,000,000)	(80,000,000)	(+80,000,000)			
(Limitation on corporate funds to be expended)	(320,544,000)	(307,699,000)	(305,584,000)	(305,584,000)	(305,584,000)	(−14,950,000)	(+2,115,000)		

Mr. PROXMIRE. Mr. President, before we go to passage of the conference report and the reading of the amendments in disagreement, I want to offer my congratulations and thanks to the distinguished ranking minority member of the HUD Subcommittee, soon to be a subcommittee chairman, Senator MATHIAS, on another outstanding effort at bringing this bill through the Congress. One of the true pleasures that I have had in my years in the Senate has been the opportunity to work with him on this bill. He is a Senator of tremendous ability, insight, and skill. I also want to commend his minority staff assistant, Wally Berger. Wally has always been most cooperative and professional in his dealings with my staff and I wish him well as a member of next year's new majority staff.

Mr. President, I move at this time that the conference report be agreed to.

Mr. MATHIAS addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Maryland.

Mr. MATHIAS. Mr. President, Thursday, November 20, the House and Senate conferees met and held a free and open discussion on the 79 amendments, count them 79, to the HUD and Independent Agencies appropriations bill. The conference resulted in a good exchange of views positive exchange of views, and the agreement before us today represents a consensus opinion on each of the items.

I certainly wish to express my admiration and my respect for the chairman of the subcommittee, the distinguished Senator from Wisconsin (Mr. PROXMIRE). He, as is always the case in such situations, unswervingly supported the Senate's position even when his personal views were at times divergent from that of the majority of the Senate. It is an example of the way the chairman of a Senate committee should conduct himself in that kind of situation. I would also like to note the significant contributions of Senators SCHMITT, WEICKER, BELLMON, and HUDDLESTON. I would also like to take this opportunity to thank Congressman BOLAND, the chairman of the committee in the other body, for the excellent job that he did in presiding over the conference committee and moving things along in a very orderly fashion.

I would be remiss if I did not join with the distinguished Senator from Wisconsin in thanking Mr. Wally Berger, and also his assistant Tom van der Voort, for the really extraordinary support that each of them has rendered to this subcommittee during the life of this whole Congress. It has made our jobs, I think, as members of the committee much easier, and I think has assisted in the quality of the work product that we finally painfully achieved to have the assistance of two such extraordinary men.

Mr. PROXMIRE. Mr. President, if the Senator will yield, I want to join in the commendation of the Senator from Maryland regarding Tom van der Voort. The reason I did not mention him is because he prepared the remarks, and he was too modest to commend himself, which he should not have been, and I am correcting that in joining my colleague from Maryland. Tom van der Voort is as fine a staff man as the Senate has, in my judgment, and he did a great job on this bill.

Mr. MATHIAS. Mr. President, during the 7 days that H.R. 7631 was on the Senate floor, each of the amendments were discussed in considerable detail and I will not impose upon my colleagues by reiterating those discussions. I will, however, highlight some of the more important decisions reached in conference.

For the Department of Housing and Urban Development, the conferees provided an additional $70 million in contract authority over the Senate figure. This contract authority, coupled with $2.1 billion in budget authority, which was available through carryover from the assisted housing program, was earmarked for the section 235 homeownership assistance program. It is anticipated that these additional resources will provide approximately 20,000 units of subsidized housing for eligible low-income recipients.

In another action, the conferees accepted $108.8 million of the $113.8 million amendment proposed by the Senate for the operation of low-income housing programs. These funds will cover a shortfall caused by unexpected high fuel costs incurred by public housing authorities. The House conferees accepted the Senate's proposed level of $125 million for the Solar Energy and Conservation Bank. This funding level is $35 million above the House and should provide sufficient funds for the full scale operation of the Bank during fiscal year 1981. The House also accepted a Senate amendment providing an additional $2 million for fair housing and equal opportunity. These funds will support 133 community housing resource boards

in their effort to assist in implementing communities' fair housing plans.

On another housing issue, the conferees provide $33.75 million for comprehensive planning grants which was $11.25 million above the House level and $6.25 million below the Senate. The additional funds were targeted for States, areawides and localities and should be sufficient to continue the important planning efforts underway at each of those levels.

For NASA, conferees provided $31.7 million out of the $65.5 million of add-ons included in the Senate version of the bill. These add-ons provide essential funding for the physics and astronomy, aeronautics, life sciences, technology transfer, and other high technology NASA programs. The conference report also contains language directing NASA to obtain the views of an independent panel before proceeding with major program changes. The conferees felt it was necessary to establish such a mechanism in order to assure that the best talent available be consulted on such matters and that the user communities be included in the decisionmaking processes.

For EPA, the conference committee accepted $13.8 million of the $16 million for the hazardous waste programs. Through an oversight, the conference report fails to note that $5.911 million is earmarked within the salaries and expenses account for hazardous waste activities requested in HOUSE Document 96–368. The conference agreement also provides for a 1 percent transfer authority as opposed to the 2 percent proposed by the Senate. Through this authority, EPA would be authorized to transfer approximately $8 million from its other accounts to the salaries and expenses account thus reducing the expected shortfall in this account.

For the Veterans' Administration, the conference committee provided funding for several Senate initiatives including $6 million and 176 staff years for Vietnam veterans readjustment counseling centers, funding for the continuation of flight and correspondence school training and $3 million for advanced planning for major construction projects.

Before closing, I would like to comment on amendment No. 69 which provided for a 2-percent cut in all agencies covered under this act other than the Veterans' Administration. While there has been a lot of talk about such an across-the-board cut for fiscal year 1981, this bill is the only one that would actually incorporate such a cut. After some discussion, the conferees elected to vest OMB with the responsibility of determining precisely where and to what extent the cut should be applied. The provisions worked out in the compromise allow OMB to reduce the budget authority for each account, activity and project from 0 to 3 percent. It is my hope that in exercising this discretion, OMB selects for reduction those activities that are least sensitive to funding changes and those that will have a minimal impact on the delivery of essential services.

Mr. HAYAKAWA. I wish to comment on the conference report to H.R. 7631, specifically amendment No. 32, which deals with the Federal Emergency Management Agency, FEMA.

The conferees have wisely emphasized that the President should use discretion in making contributions to State and local governments, via a cost sharing scheme, relating to repair and restoration of damaged public facilities in declared national disaster areas. Under Public Law 93–288 funds are authorized up to 100 percent for this purpose.

Since the Mount St. Helens disaster, declared national disaster areas with damaged public facilities have been federally funded at 75 percent. Language proposed by the House limiting Federal contributions to 75 percent for damaged facilities was deleted by the conference committee. FEMA has since indicated it will continue to interpret discretionary cost sharing at 75 percent. I am at a loss to understand how discretionary cost sharing for repair or restoration of damaged public facilities can be interpreted by FEMA to be a steadfast 75 percent contribution in all cases.

This past Friday the President declared Los Angeles, Orange, Riverside, and San Bernardino Counties national disaster areas, due to the excessive damage caused by fires and high winds. I have been informed that FEMA again plans to contribute only 75 percent to the restoration or repair of public facilities. The remaining 25 percent will be passed on to the State who will then pass many of the various costs on to the local governments.

During midwinter of next year, these declared disaster areas could experience heavy rains. As a result of the fires, flooding is very possible. Will these local governments who have already faced severe financial loss and hardship, again be reviewed under the same criterion for subsequent disasters?

If this were not enough, these disaster areas must hope that if flooding should occur, that no landslides would follow because FEMA's new landslide policy states, and I quote:

> The applicant would be responsible for any stabilization of the landslide area.

So not only could these communities come under this steadfast 75 percent policy twice in a short period of time but they will also face the additional costs for stabilizing land masses, to say nothing of the various other costs a locality must bear, which include the administrative costs for the disaster.

Mr. President, if the Federal Emergency Management Agency believes this conference report is open for interpretation, then I believe it can and should conclude that its 75 percent funding for damaged public facilities should not be considered the final word in all disasters.

The conferees urge that discretionary cost sharing policy be continued and that that the policy be reviewed by the appropriate legislative committees. I support a review and hope to play a role in the review process when it comes about. However, until that review is forthcoming I urge FEMA to consider that discretionary cost sharing, as discussed by the conferees, stipulates judging each Federal disaster on a case-by-case basis for funding. In so doing it may find that some declared disasters may deserve more than 75 percent funding, and some perhaps less.

The Federal Emergency Management Agency must realize that disasters, especially those caused by Mother Nature, rarely conform to steadfast Federal policy. Therefore, it is the job of the Federal Emergency Management agency to review the ability of each disaster area to restore or repair damaged public facilities on an individual basis.

Mr. CANNON. Mr. President, the conference report (H. Rept. No. 96–1476) now before the Senate contains language in the bill and in the statement of managers which must be of concern to every Senator. The language added to the bill pertaining to the research and development appropriation for the National Aeronautics and Space Administration on pages 13 and 14 violates at least two Senate rules, rule XXVIII and rule XVI.

Rule XXVIII, paragraph 2 states:

> Conferees shall not insert in their report matter not committed to them by either House, nor shall they strike from the bill matter agreed to by both Houses. If new matter is inserted in the report, or if matter which was agreed to by both Houses is stricken from the bill, a point of order may be made against the report, and if the point of order is sustained, the report is rejected or shall be recommitted to the committee of conference if the House of Representatives has not already acted thereon.

The bill language I refer to which reads, "* * * not to exceed (1) $29,000,000 for Space Transportation Systems Upper Stages, * * * (9) $149,700,000 for Spacelab, without the approval of the Committees on Appropriations, * * *" was in neither the House nor the Senate bill and is matter not committed to the conferees by either House. Furthermore, this constitutes legislation in an appropriations bill in violation of Senate rule XVI, paragraph 2.

The effect of this bill language is that NASA cannot exceed specific dollar amounts during fiscal year 1981 on nine projects within the total research and development appropriation without the approval of the Committees on Appropriations. Not only does this language breach our parliamentary rules, but it interferes with the effective management of these highly technical and complex activities.

Mr. President, we noted and were greatly concerned by similar restrictive language on two space projects that appeared in the fiscal year 1980 HUD-independent agencies appropriations bill. The conference report now before the Senate applies this restrictive language to nine NASA projects. Such restrictions have a detrimental impact on the authority of the Administrator of NASA to effectively and economically manage NASA's large complex space and aeronautical research projects. It is our view that under the law all management decisions in NASA are made under the authority of the NASA Administrator; that he is the responsible official; and, that the Congress is not equipped to make

and is not in the position to assume responsibility for such decisions.

The programs of the National Aeronautics and Space Administration are duly authorized by the Congress on an annual basis along with what the Congress now considers necessary and sufficient reprograming authority. Should changes in this reprograming authority be needed, it should be changed only after consideration by the appropriate legislative committees and passage of appropriate legislation by the Congress incorporating those changes. The language added to this bill by the conferees could cause interference with the policy determinations already made by the Congress with respect to programs and projects of the National Aeronautics and Space Administration.

We all are cognizant and most sensitive to the fact that several major NASA projects have encountered difficulties, both technical and managerial, resulting in program stretchout and financial overruns. While we recognize that some of these conditions emanate from the basic nature of research and development, we are aware that there have existed some management deficiencies. These are being addressed, as they have been in the past, and will continue to be in the future. Clearly, NASA must increase its review and vigilance over its major research and development contracts, but Congress should not make a negative contribution to the management of these projects and programs through restrictive ceilings and prior approvals that limit the flexibility granted by authorizing legislation to the responsible official to perform his duties effectively.

Mr. President, Congress should be currently and fully informed by NASA of the technical and financial status of all its projects and programs, particularly on problem areas. When circumstances warrant it, committees can hold oversight hearings to determine the facts, to understand the problems and to assure the people and the Congress that programs and projects will be executed in a responsible manner. Combined with the annual authorization and annual appropriations process, this provides the Congress with ample opportunity for timely corrective action if authorized activities are not being properly carried out.

Artificial controls are not a substitute for good management. They reduce the Administrator's flexibility to effectively manage NASA's large complex research and development programs and projects and, most important, dampen the enthusiasm and initiative of competent, dedicated employees trying to achieve demanding objectives. The consequences of such artificial controls are to reduce productivity, increase costs, and bring about more cost overrun situations which none of us wants to see.

It is against this background that we feel obligated to express a deep concern over the legislative language included in the NASA research and development appropriations section of H.R. 7631, in violation of the aforementioned rules of the Senate.

Mr. President, we are also concerned about the language the conferees have put in the statement of managers (page 14), which directs NASA to establish an ongoing relationship with the National Academy of Engineering and the National Academy of Sciences for the purpose of providing an independent project review capability. The language directs the National Academies to select the participants of each review panel; specifies who will coordinate this activity in the National Aeronautics and Space Administration; and requires that a written report prepared by the reviewers be simultaneously submitted to NASA and the Committees on Appropriations. Finally, the language says:

> In the future, the Committees do not intend to recommend approval of any major program changes unless such an independent review panel concurs with the proposed course of action. During a review period, NASA should not take any action that would prejudice the pursuit of any of the options under consideration.

This language in the statement of managers interferes directly with the authority and responsibility of the Administrator of NASA.

Senate rule XXVIII, paragraph 4, states that the explanatory statement—the statement of managers—in each conference report shall be sufficiently detailed and explicit to inform the Senate as to the effect which the amendments or propositions contained in such report will have on the measure to which those measures or propositions relate. The rule requiring explanation of actions is not meant to provide a mechanism for the conferees to establish a separate project management requirement on the Agency through an outside review system. Indeed, the language in the statement of managers imposes an outside management decision process on the National Aeronautics and Space Administration; it places in the hands of an outside review panel an enormous authority but not responsibility. This language interferes with the authority and responsibility of the Administrator of NASA. The law is absolutely clear on this point. The National Aeronautics and Space Act of 1958 (Public Law 85–568) section 202(a) states:

> The Administration shall be headed by an Administrator, who shall be appointed from civilian life by the President by and with the advice and consent of the Senate. Under the supervision and direction of the President, the Administrator shall be responsible for the exercise of all powers and the discharge of all duties of the Administration, and shall have authority and control over all personnel and activities thereof.

Should this bill become law, the Committee on Commerce, Science, and Transportation will be obligated to notify the Administrator of NASA that notwithstanding the language in the statement of managers or any course of action recommended by a review panel of either the National Academy of Sciences or the National Academy of Engineering, he alone—as Administrator of the National Aeronautics and Space Administration—is responsible for the direction of all NASA activities. Under the law he alone is responsible for making the decisions on how to proceed with each and every NASA program and project regardless of any recommendations that may evolve from an outside review panel.

Mr. President, I know the conferees were under great pressure to reach agreement on this appropriation bill so that it could be considered and agreed to before this Congress adjourns sine die. But I hope that this is the last time we will see the insertion of matter not committed to them by either House into this appropriation bill; the last time we see legislation in this appropriation bill; and the last time we see unwarranted interference with the lawful authority and responsibility of the Administrator of NASA.

Mr. LUGAR. Mr. President, I wish to engage in a brief colloquy with the distinguished Senator from Wisconsin, Mr. PROXMIRE.

Today we are considering an additional appropriation of $70 million for the section 235 program administered by HUD. This program has had a volatile history and our experience this fall is just another chapter in that turbulent history.

Until last spring no more than $25 million per year had been expended under the 235 program. But in the last 7 months over $140 million has been spent; exhausting the available funding. When the funds were exhausted in October, the program was suspended.

Because the spending rate increased so dramatically, program control was not as tight as it should have been. As a result, HUD was forced to shut off the program very suddenly. In fact, the cutoff was so sudden that many HUD field offices gave no hint of cutoff prior to the suspension.

In Indiana the suspension of the program has caused some very severe problems. For a variety of reasons, the Indianapolis area office was administering the program outside of the usual procedures. In virtually all cases builders were discouraged from applying for reservations. Instead builders were encouraged to proceed with construction and apply for a firm commitment after an eligible family had signed a contract to purchase a qualified house.

When the program was suspended many builders were caught with completed homes and qualified 235 purchasers; but no program funds. Moreover, these builders did not have signed letters of reservation for program funds.

Clearly these builders should not have proceeded without following the proper procedures for this program. But it is easy to understand how the situation developed. Most businessmen avoid paperwork and redtape whenever they can. If a HUD office worker told a builder that a reservation was not really needed; or if a high level of funding indicated little

risk, in most cases that builder would not apply for a reservation.

Thus we are faced with a situation in Indiana where builders have finished a home, a qualified purchaser has signed a contract to purchase the home—in many cases the purchaser has also sold his existing home—but there is no financing available. We face this situation because builders, lenders, and home buyers relied upon conversations with HUD employees. HUD employees were acting in ignorance of the national situation and were probably trying to be helpful. I believe that HUD has an obligation to those injured, not a legal obligation, but a moral obligation.

This is a problem that is national in scope. I do not have any national data, but I have information on the scope of the Indiana problem. A survey by the Homebuilders Association of Indiana indicates that there are 425 homes that were sold prior to October 31, 1980, that do not have reservations or firm commitments under 235. These homes were sold to eligible buyers and are within the limitations of the 235 program.

To fully fund the moral commitments that have been identified we would need approximately $1.4 million in new contract authority. Indiana will not receive sufficient new authority to meet all the demand for funds but there should be enough new authority to assist those who built houses in anticipation of utilizing the 235 program.

It will be difficult to insure that those commitments are met. Any procedure will have its faults, but I believe that those commitments must be met. Moral commitments should be funded before any new commitments are made.

HUD could satisfy those moral commitments by issuing firm commitments to applicants who had signed a contract to purchase an eligible home prior to October 31, 1980. Those firm commitments would be issued prior to the issuance of any new commitments.

I believe that this is a serious problem that HUD must address. There are indications that HUD is sensitive to the problem, but I believe that a clear and effective procedure must be established to ensure that all builders and program participants are treated fairly.

Does Senator PROXMIRE share my concern? Does HUD have a responsibility to builders and families injured by HUD's actions?

Mr. PROXMIRE. In response to the distinguished Senator, let me say that while I am not personally aware of the actual procedures used in Indiana, I have heard of allegations that in some cases builders were discouraged by HUD from applying for preliminary reservations and encouraged to build with the expectation that section 235 funds would be available, and with these assurances such builders proceeded to find specific eligible buyers. If, in fact, these circumstances have occurred, HUD should make funds available to such builders. Of course, any such action would have to be within the constraints of the availability of funds allocated to an area under the fair share formula. I understand that HUD is aware of the possibility that a problem similar to what you have described exists in several states, and is seeking to develop an equitable solution.

Mr. LUGAR. I thank the Senator for his attention to this problem and for your assistance in developing a workable solution to the problem. As chairman of the Banking Committee you have distinguished yourself as a Senator who does not ignore the problems of implementation that often accompany passage of a bill. I appreciate your assistance and look forward to more cooperative ventures in the future.

SECTION 235 HOMEOWNERSHIP ASSISTANCE FUNDING

Mr. CHILES. Mr. President, I would like to take this opportunity to ask a couple of questions of the distinguished chairman of the HUD-Independent Agencies Appropriations Subcommittee. Specifically, I would like to clarify the intent of the Congress regarding the limited supplemental funding that has been provided in the HUD-Independent Agencies appropirations bill for the section 235 homeownership program.

I have supported the additional $70 million of contract authority for expenditures under the existing section 235 program for the purpose of providing assistance to homebuilders and home buyers who were caught in a bind by the Department of Housing and Urban Development's mismanagement of the program when the Department ran out of funding for the program and continued to accept applications. I know that the chairman shares my dislike of having to bail out an agency that spends limited funds as if they had no limit. However, if the Congress does not act now the homebuilders and home buyers will be left in the lurch because they put up their own money for new developments when the Department indicated to them that the necessary funding would be available to them after their contracts were approved.

Mr. President, it is my understanding that by limiting this expenditure to the existing program, and not providing funding for the section 235 emergency stimulus program as authorized by Public Law 96–399, the focus should be on meeting commitments made by HUD and clearing out the backlog of applications that I know exists, especially in the State of Florida. I had become quite concerned when I learned that the majority of HUD offices in Florida were not able to honor their commitments to the respective builders and buyers.

Particularly, I was unhappy to find out that the offices were operating on a verbal commitment basis rather than by accepting preliminary reservations. The outcome of this is that the many participants in the program are in serious trouble. I would like to clarify with the chairman that the intent of Congress is that top priority go to meeting the commitments which HUD has already made, both verbal and written, where builders or buyers have already taken action based on HUD's commitment.

Mr. PROXMIRE. Yes, the Senator from Florida is correct, although, of course, the funds must be allocated initially under a fair share formula mandated by the authorizing legislation.

Mr. CHILES. I understand that the authorization provides for an initial allocation of the funds. However, our experience has always been that some areas do not use all of their money and it is returned to the Secretary for reallocation. I would certainly expect that any reallocated funds would be used to meet existing commitments not sufficiently covered by the initial formula allocation, before being used for new commitments. And of course, we would want HUD to use the initial allocations in each State to meet their current commitments before getting into new areas.

Mr. PROXMIRE. I certainly agree that that is the most fair and reasonable approach, and would recommend that HUD implement the program that way.

Mr. CHILES. I appreciate receiving the clarification from Senator PROXMIRE, who has done so much to meet the country's housing needs while maintaining fiscal responsibility.

Mr. President, I am glad that the Congress has moved rapidly and worked through the budget and appropriations process to provide this limited supplemental funding for the section 235 program. Now that the Congress has acted I hope that HUD will act immediately.

Mr. President, I ask unanimous consent that a copy of a letter I have sent to the Secretary of HUD be printed in the RECORD. This letter urges the Department to take rapid action to meet the intent of the Congress in the way we have just clarified in this colloquy.

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

U.S. SENATE,
December 2, 1980.

Hon. MOON LANDRIEU,
Secretary, Department of Housing and Urban Development, Washington, D.C.

DEAR MOON: The Congress is presently taking final action on the FY81 HUD-Independent Agencies' Appropriations Bill. Included in this report is $70 million of contract authority for the FHA Section 235 Program. This special appropriation is being provided by Congress in response to the severe problems created by the HUD Insuring Offices in a number of states. All but one Insuring Office in Florida operated on a verbal commitment basis, encouraging builders to put up money for new developments on the assurance of later Section 235 financing. Since HUD failed to advise the Insuring Offices of the depletion of the original appropriated funds, buyers and developers of Section 235 homes were placed in a serious financial predicament. It is my hope that top priority be given to these individuals to whom HUD had made a commitment either verbal or written, when HUD formulates a plan to disburse these additional dollars. I would appreciate being advised of HUD's plan and the priority system adopted for the disbursement of these dollars at the earliest possible date.

Thank you for your time and consideration.

With kindest regards, I am

Most sincerely,

LAWTON CHILES.

VA APPROPRIATIONS

Mr. CRANSTON. Mr. President, I would like to take this opportunity to thank the distinguished chairman of the Appropriations Committee's HUD and Independent Agencies Subcommittee (Mr. PROXMIRE) for his fine work in making sure that this conference agreement on the HUD and independent agencies fiscal year 1981 appropriations act, H.R. 7631, would provide adequate appropriations for veterans' benefits and services during fiscal year 1981. As chairman of the Committee on Veterans' Affairs, I am deeply grateful for his efforts. Particularly gratifying to me is the inclusion in the conference report of full funding for the long-planned construction of a medical research and education building at the VA medical center at Long Beach, Calif., and an additional $6 million, including 176 staff positions, for the VA's readjustment counseling program for Vietnam-era veterans. I am sure that neither of these very important matters would have been so satisfactorily resolved in conference without the leadership of the Senator from Wisconsin (Mr. PROXMIRE).

Mr. President, I note that, in the joint explanatory statement accompanying the conference report, the conferees stated their intention that an additional 1,000 direct-care personnel positions are to be made available to the VA's Department of Medicine and Surgery. The conferees stated that these additional positions shall be allocated only for general "staffing improvements"—which I hope will be used to increase staffing in the nursing service—and spinal cord injury care—another service in which increased staffing is a vital necessity. In addition, the conferees stated that, with the exception of designating additional personnel for the VA's unit dose drug-dispensing program, the VA shall make no changes in the so-called base allocation of medical care personnel positions in the President's budget without the approval of the House and Senate Appropriations Committees. Given this language and the fact that total conversion to the unit dose system would result in improved patient care and greater control over drug stock—thus, according to GAO, a dramatic decrease in drug losses in the VA health-care system—I strongly urge the VA to commit additional personnel positions to the unit dose system in order to convert many more VA medical centers to its use, and I hope that the distinguished chairman of the subcommittee will join me in urging the VA to do so.

Mr. PROXMIRE. Mr. President, I do indeed join with the very able chairman of the Veterans' Affairs Committee in urging that action.

I believe that the problems in the VA's pharmacy system, on which the GAO first reported nearly 5 years ago, must be dealt with as soon as possible. VA actions in recent years that were intended to strengthen controls on the dispensing of drugs in VA hospitals have been described recently by the GAO as being largely ineffective. The GAO reports that lax controls have cost the taxpayers approximately $16.5 million a year in drug losses. Pilferage and abuse threaten patient care. This situation must be corrected promptly.

Thus, I strongly agree that the VA should strengthen and expand its efforts to convert as many medical centers as possible to the unit dose system in the near future.

Mr. CRANSTON. With respect to another matter covered in the joint explanatory statement, I would like to clarify with the distinguished floor manager the effect on the VA of the language agreed to in connection with the limitation on expenditures for travel—section 401 of the conference report. My concern is that the language in the bill that expressly exempts travel performed directly in connection with care and treatment of medical beneficiaries of the VA from the limitation may be interpreted—under a strict construction of the term "medical beneficiaries"—as not exempting reimbursements for veterans in connection with physical examinations to determine their entitlement to compensation, pension, and vocational rehabilitation, a problem that the Senate-passed version of this provision would have avoided by making reference to all reimbursements provided VA beneficiaries under section 111 of title 38, United States Code. The subcommittee chairman and I worked together to resolve this problem when the bill was marked up by his subcommittee.

I ask unanimous consent that my August 21, 1980, letter about this matter be printed in the RECORD.

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

COMMITTEE ON VETERANS' AFFAIRS,

Washington, D.C., August 21, 1980.

Hon. WILLIAM PROXMIRE,

Chairman, HUD-Independent Agencies Subcommittee, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR BILL: In connection with my August 15 letter to you, I would like to raise one further matter relating to the VA beneficiary travel program, in connection with your Subcommittee markup of the fiscal year 1981 Appropriations Act for HUD/Independent Agencies (H.R. 7631).

With respect to section 401 in the House-passed Act, I recommend a modification in the language on travel expense limitations to make clear that the proposed limitation would not apply to VA beneficiary reimbursements for travel in connection with non-medical VA benefits. Thus, I urge that your Subcommittee modify the VA beneficiary travel exception to include all travel for which reimbursement is made pursuant to section 111 of title 38, United States Code.

As Chairman of the Committee on Veterans' Affairs, I am greatly concerned that arbitrary limitations not be placed on the availability of funds to provide VA beneficiary travel reimbursements—a benefit to which other than medical beneficiaries—such as veterans receiving service-connected disability compensation exams or participating in the chapter 31 service-connected vocational rehabilitation program—are entitled under law.

I deeply appreciate your continuing cooperation regarding this very important program.

With warm regards,

Cordially,

ALAN CRANSTON,

Chairman.

Mr. PROXMIRE. I appreciate the Senator from California (Mr. CRANSTON) giving me this opportunity to clarify the conference agreement with respect to VA beneficiary travel reimbursements. I share his concern that no veteran be denied reimbursement to which he or she is entitled under the provisions of title 38.

The term "medical beneficiaries" is not intended by the conferees to be interpreted narrowly. In fact, the Senate conferees receded on this issue only because of the understanding that the House-passed language was intended to be broadly construed to include veterans undergoing physical examinations and participating in rehabilitation programs under chapter 31 of title 38, and that there was no substantial reason for modification of the House provision of the bill in this respect.

Mr. CRANSTON. I thank the Senator for that clarification. I also wish to express my appreciation to the ranking minority member of the subcommittee (Mr. MATHIAS) for his steadfast support in VA appropriations matters.

THE SOLAR AND CONSERVATION BANK

● Mr. KENNEDY. Mr. President, with passage of this HUD–Interior appropriations bill, H.R. 7631, Congress has completed the process of authorizing and funding the solar and conservation bank for fiscal year 1981. I believe this achievement deserves special notice today since the bank is both an important symbol and a genuine challenge for this country.

The bank is a symbol of Congress commitment to increasing America's energy efficiency. Despite the consensus among energy experts that in the near future our least inflationary, most readily available, significant new energy "source" lies in the better management of our homes, businesses, and factories, Congress has been slow to act on this advice. Moreover, when we have acted to accelerate progress toward increased efficiency, our efforts have often lacked variety or have appealed to too narrow a segment of the public. In 1976, for example, we adopted the Energy Conservation and Production Act. Most of the conservation measures in that act were initiated in a major amendment which Senator HOLLINGS and I successfully sponsored in the Senate. In retrospect, I believe it is fair to say that what appeared to be a giant stride toward energy efficiency in 1976 appears to be only a baby's step in 1980. One reason is that we allowed subsequent implementation of this act to fall too heavily on the regulatory measures. The building energy performance standards, for example, have proved to be extremely difficult to write and have generated widespread political opposition among interest groups. As a result, we have lost years struggling to arrive at acceptable standards while neglecting to fund even the modest financial incentives that were au-

thorized in ECPA. These positive incentives were designed to test the viability and variety of approaches to tilting investment decisions toward energy efficiency. If they had ever been funded, we would be in a much better position today to develop programs with broad public support to increase our Nation's energy security quickly. Unfortunately, the program expired before it was ever funded.

In 1978 Congress did take a second step toward expanding positive incentives to increase energy efficiency when it adopted the 15 percent residential tax credit for energy conservation. This incentive has enhanced the Federal commitment to energy efficiency and has served to focus public attention on energy efficiency.

However, the statistics available so far demonstrate that the tax credit is not sufficient by itself. In the first place, it is not nearly as powerful an engine as was originally hoped, reaching only a little more than half the homes it was estimated to reach in the first 2 years. Second, the tax credit is being used primarily by taxpayers with incomes of $20,000 or more. In fact, the top 25 percent of taxpayers are receiving 65 percent of the benefits.

For this reason, the solar conservation bank has been designed to make additional forms of incentives available to fill the gap for the other 75 percent of the public. The president of the bank has been given broad discretion to fashion a combination of loans and grants that will make economic sense to middle or lower income Americans. The public is receiving a strong signal to conserve from the rapid inflation in energy prices, but in most cases it lacks the capital to take advantage of new investment opportunities.

The bank is particularly suited to creating opportunities for Americans to invest in energy efficiency without dictating how to do it. This program is premised on the assumption that the American public is ready and willing to respond as long as it is given realistic, cost-effective choices. Each household is given the freedom to make its own decision about whether tax credits, loans, or grants make more sense in a particular case. In this way, the full potential of Yankee ingenuity can be encouraged without trying to make investment decisions in Washington.

As a cosponsor of this legislation, I am proud to see it progress to this point. But now that we have authorized and appropriated funds for this important program, we are faced with the challenge for implementing it in a way that maximizes both the nonregulatory, nonmandatory choices to the people and the cost-effective use of Federal money. Since the new administration has frequently emphasized its commitment to these goals, I am hopeful that it will quickly seize the reins of the bank and use it to its fullest potential.

Because of the large number of expert reports recommending that energy conservation be an essential element of our national energy policy, a perception has developed that there may presently be an overemphasis on energy conservation and an underemphasis on other energy alternatives. Because of this perception, some may believe that the conservation and solar bank is frosting on the cake—an unessential Federal program.

The perception that there presently is an overemphasis on energy conservation is simply incorrect. I recently asked the Congressional Research Service to prepare a comparison of Federal subsidies for energy conservation versus energy production. It found that the incentives for energy conservation were only one-sixth the incentives for energy production.

Thus, I believe that a fully operating, aggressive conservation and solar bank is absolutely essential to assure the American people that we are going to pursue a balanced energy program that will benefit all the people of this Nation.

I look forward to working with my colleagues on both sides of the aisle in meeting this objection.●

● Mr. WILLIAMS. Mr. President, I would like to indicate my support for the HUD-independent agencies appropriations conference report, and to comment on aspects of the legislation pertaining to the Department of Housing and Urban Development. As chairman of the Senate Subcommittee with authorization jurisdiction over the Department's programs, I am particularly concerned that this measure pass so that the programs we have authorized may receive an adequate funding level for the remainder of the current fiscal year.

It has been a most difficult year in which to move appropriations legislation, given the revised budgets from the administration and the tortuous process of reconciliation that has faced Appropriations Committee members, in addition to the pressures of a Presidential election year. Thus, the distinguished chairman and the distinguished ranking minority member of the HUD-Independent Agencies Appropriations Subcommittee (Messrs. PROXMIRE and MATHIAS, respectively) deserve enormous credit for the superb job they have done in moving the HUD appropriations bill to a final vote on the Senate floor today. Their skill and their diligence merit the respect and admiration of us all.

Mr. President, the legislation provides appropriations for the community development block grant program, the urban development action grant program, the section 8 rental assistance and public housing programs, the flexible subsidies program, the congregate housing services program, the section 312 rehabilitation program, the GNMA tandem programs, and a host of other programs crucial to the Nation's efforts to improve the quality of housing and neighborhoods and to expand decent housing opportunities for our people.

The largest single appropriation involves housing assistance. The conference report provides sufficient contract and budget authority to assist about 250,000 units of section 8 and public housing during fiscal year 1981, according to HUD estimates. This level is almost 50,000 units more than was assisted in fiscal year 1980 and a most welcome achievement during a period of repeated assault on social programs.

A 50–50 mix of unit types—new to existing—was assumed in the conference report. The 50–50 mix, which was also provided in the Housing Authorization Act, reflects a growing desire on the part of the Congress to make greater use of the existing stock in our housing assistance programs. It is true that the overwhelming housing problem among low-income persons is affordability, rather than substandard conditions. It is also true that we can assist far more people by using the existing housing supply because rents are lower in existing housing, and thus it is cheaper to subsidize tenants living in such units. However, this increased attention to the existing stock carries with it the potential for neglect of new production which is absolutely essential if we are to meet the long-term housing needs of our citizens with modest incomes, particularly those competing in rental markets.

In many areas, particularly those undergoing rapid growth, the supply of housing, both rental and owned, is short. In some places, there are adequate numbers of vacancies, but the types of units available do not properly match the composition of the households seeking to move in. On a national scale, homeownership is fast moving out of the range of even middle class families, yet the supply of rental housing, the primary alternative, is shrinking by as much as 2 percent a year, due to demolitions, deterioration, abandonment, and conversions. Aid to persons through the existing stock can be used only as a short-term device, for it does little to improve housing conditions, and nothing to expand the supply. We must also see to it that sufficient attention is paid to production. After all, as former HUD Secretary Patricia Harris pointed out during hearings before my subcommittee, today's new construction is tomorrow's existing housing.

If the private sector was capable of undertaking the new construction of moderately priced multifamily units unassisted, then we could focus housing assistance programs on lower income persons in the existing stock, secure in the knowledge that units would be continuously added to the supply to make up for those lost, and that these new units would eventually be made available to those with lower incomes as their original occupants moved on to other, newer rental dwellings or to homes of their own. Unfortunately, it is clear that the private sector cannot engage in any large scale construction of new apartment buildings.

Unless we are content to see a continual shrinking of rental opportunities for people with low incomes, and heavier pressure on rents as those opportunities become more restricted, we cannot rely on the existing stock as the principal means of meeting housing needs for low- and moderate-income persons.

The 50–50 mix in the appropriation bill probably represents an acceptable, if not desirable, allocation of housing assistance resources. However, it also represents unquestionably a retreat from

our previous emphasis on new construction, and in that retreat lies the seeds of an unhealthy lack of regard for the long-term human and dollar costs that will inevitably result if we fail to encourage the production of rental housing. I can assure you, Mr. President, that in the coming session, I will be most concerned that any proposals to revise our housing assistance programs pay sufficient attention to the needs for new construction.

Mr. President, the conference report also contains additional funding to assist approximately 17,000 more units of housing under the section 235 homeownership assistance program. This appropriation, which substantially embodies the purpose of my legislation, S. 3145, assures that the program will be restarted after it was shutdown in October due to the unexpectedly rapid depletion of its funds. When the program was frozen, many builders across the country were left with an inventory of houses they had built under the section 235 in reliance upon the availability of section 235 interest subsidies for buyers they had lined up. In addition, the shutdown of the program occuring during this time of extraordinarily high interest rates brought to a halt in a number of communities virtually all construction activity for moderate-income persons.

It is my expectation that the additional appropriation be used to promote homeownership among low- and moderate-income persons in all regions, and that within the constraints of the fair share allocation, relief be accorded to those builders who were placed at financial risk due to the sudden expiration of the program's funds and HUD's failure to monitor adequately the expenditure of those funds.

The conference committee shifted $2.1 billion in unusable carryover budget authority from the section 8 rental assistance program to the section 235 program, and then added $70 million in new contract authority to match the section 8 budget authority shifted.

I want to stress that this action does not violate the limits for assisted housing budget authority established by the second concurrent budget resolution for fiscal year 1981, nor does it exceed the assisted housing contract authority ceiling set in the fiscal year 1981 housing authorization act. Neither does the appropriations action cause any loss of section 8 units, since the carryover budget authority shifted was not accompanied by carryover contract authority.

While the committee should be congratulated for its response to the section 235 emergency, we cannot assume that 17,000 units will provide the kind of national housing stimulus that the housing market will most likely demand this winter. It was my intention in offering S. 3145 to provide appropriations for the section 235 standard program and for the section 235 stimulus program, approved as part of the 1980 Housing and Community Development Act. The conference committee limited the use of the appropriations to the standard program, a reasonable action considering that only about 17,000 units can be assisted.

It seems to me, however, that the housing industry is in store for another decline in housing starts. Certainly, the continued rise in interest rates, and the steep drop in housing construction permits that appeared in the October 1980 starts figures, gives us cause for genuine concern. Although the underlying demand for housing will persist, the ability of the housing industry to overcome economic conditions and thus meet that demand at a price that American families can generally afford will be even weaker than it is today. As a result, we can expect heavy use of the section 235 program's available funds because that program in many communities offers the only door to homeownership for moderate-income families, and the only means for homebuilders to stay in business.

Through the section 235 programs, the Congress has provided a workable and fiscally prudent means of cushioning the housing industry in time of trouble. The housing outlook for the next several months is ominous, and it may very well become necessary during the next session of Congress to build upon the action taken by the appropriations conference committee if another debilitating decline in housing markets is to be confronted.

Mr. President, I am particularly pleased that the conference report contains a third year's funding for the congregate housing services program. This program provides 3-to-5 year grants to local public housing agencies and sponsors of section 202 housing to furnish such services as meals and housekeeping assistance to functionally disabled, particularly elderly, tenants.

While the program now operates on a demonstration basis, it embodies several crucial new concepts—multiyear funding of service programs in order to induce the new construction of specially designed residential housing; local assessments of tenant service and health needs; and emphasis on close coordination between housing and services agencies on a local and State rather than Federal level. Through this program, persons with some degree of functional handicap can remain in their residences and avoid unnecessary, costly institutionalization. The program advances the idea that for these persons a residential setting cannot be separated from basic support services, but the two must work together to produce the complete housing environment that these persons need, and I want to stress that this environment is not institutional, but residential. According to HUD, for every dollar spent for congregate services, we can save $5 to $20 in Federal medicaid costs for nursing home care.

Mr. President, the $10 million appropriated for congregate housing services is one of the most worthwhile investments we can make from both a human and a fiscal standpoint, and I regret that the appropriations was not closer to the amount authorized.

An important reason for the low level of congregate services appropriations has been the committee's perception that the program has not spent its funds rapidly enough. It should be noted that because funds are drawn down over the term of 3- to 5-year contracts, outlays will always lag behind new reservations. Moreover, I am informed that once initial awards are made, the Department moves applications rapidly to the contract stage. To the extent a problem has existed, it lies in the awards process. HUD has not been able, to date, to commit all funds provided for a fiscal year within that fiscal year, mainly because of OMB's delays in apportioning the first year's appropriation to the agency, and the time HUD spent in developing procedures and guidelines to implement the new program. The Department has assured me that all carryover uncommitted funds from fiscal year 1980 and all funds appropriations for fiscal year 1981 will be committed in fiscal year 1981, and I certainly intend to monitor the program closely to see that this occurs.

The conference report also allocates $970.8 million for public housing operating subsidies and $18.05 million for the troubled projects flexible subsidies program. The former appropriations includes $108.8 million in emergency funds to handle an unexpected 25-percent jump in public housing utility costs. However, the conference committee figure is $5 million below the Senate-passed level, which reflects the amount requested by the administration. My understanding is that there is no specific programmatic reason for the reduction of the Senate amount. It seems conceivable to me that if the original administration estimate of utility cost increases over the past year was too low, then the reestimate may also be conservative. As a result, the amount of emergency operating subsidies requested may be conservative as well. This means that the $5 million reduction in this additional request may require public housing authorities to compensate for utility payments by cutting other activities, such as maintenance, out of operating budgets already squeezed tight.

Many agencies already operate at a deficit because their expenses outstrip not only the rents they can collect from their low-income tenants, but also because their allocations of operating subsidies are often simply inadequate to meet the normal and usual cost of operation. To cut operating subsidies, especially the amount requested as an emergency appropriation, is ultimately a most costly and wasteful practice because the economies gained by deferring maintenance projects are lost many times over when this deferred maintenance leads to serious deterioration.

The flexible subsidy appropriation suffers from the same short-sightedness; its $18.05 million is some $23.05 million below the amount authorized. These funds are used to stabilize the finances of troubled federally insured projects as part of a comprehensive program to improve the management and financial health of these projects. The extent to which we cut back flexible subsidies is the extent to which we fail to address the serious problems that eventually lead to HUD ownership off the buildings and payouts of huge insurance claims.

Mr. President, before I close I would like to comment on the bill's requirement that a 2-percent cut be applied, no Veterans Administration programs may be cut by more than 3 percent, and

no Veterans' Administration programs may be affected. I have always been opposed to this type of appropriations procedure, and see no reason to favor it now. For one thing, it violates the spirit of the Budget Act, which intends that we make careful choices in the allocation of resources, and that we have sound programmatic reasons for reducing or adding funds to any program. The conference committee provision applies a reduction indiscriminately, without regard to program merit.

Even more disturbing is the fact that because of the way the cut may be applied, OMB will have the opportunity to make the final determination about which programs are to be reduced. OMB may decide, for example, to reduce the housing assistance account by 3 percent, and thus achieve about nine-tenths of the cuts required in the bill's budget authority. This is clearly an unwarranted and unwise congressional abdication of responsibility.

Mr. President, a bill of this breadth is bound to have both strong and weak points. However, in my view the strength of the whole far outweighs the weaknesses of some of the parts. The bill is essential if our housing and community program are to deliver their benefits as we have intended, and I urge its adoption.●

The ACTING PRESIDENT pro tempore. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. PROXMIRE. Mr. President, I move that the Senate agree to the amendments of the House to the amendments of the Senate Numbered 1, 6, 19, 23, 25, 29, 37, 45, 59, 60, 67, 69, 73, 74, 76, and 77 and concur therein.

The ACTING PRESIDENT pro tempore. The clerk will report the amendments in disagreement.

The legislative clerk read as follows:

The amendments in disagreement are numbered 1, 6, 19, 23, 25, 29, 37, 45, 59, 60, 67, 69, 73, 74, 76, and 77.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the amendments in disagreement be considered and agreed to en bloc.

The amendments en bloc are as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 1 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING

The amount of contracts for annual contributions, not otherwise provided for, as authorized by section 5 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437c), and heretofore approved in annual appropriations Acts, is increased by $1,417,400,000 of which $100,000,000 shall be for the modernization of existing low-income housing projects: *Provided*, That budget authority obligated under such contracts shall be increased above amounts heretofore provided in annual appropriations Acts by $30,877,500,000: *Provided further*, That any balances of authorities remaining at the end of fiscal year 1980 shall be added to and merged with the authority provided herein and made subject only to terms and conditions of law applicable to authorizations becoming available in fiscal year 1981.

The limitation otherwise applicable to the maximum payments that may be required by all contracts entered into under section 235 of the National Housing Act, as amended (12 U.S.C. 1715z), is increased by $70,000,000: Provided. That $2,100,000,000 of budget authority provided under this head for the previous fiscal year shall be transferred to, merged with, and used for homeownership assistance program authorized by section 235 of the National Housing Act, as amended (12 U.S.C. 1715z): *Provided further*, That none of the authority provided herein shall be available for the homeownership assistance program authorized by section 207 of the Housing and Community Development Act of 1980 (P.L. 96-399).

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 6 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: *Provided*, That none of the funds in this or any other Act shall be available to cover losses incurred as the result of any employment program not specifically justified at the time the budget was submitted without the prior approval of the Committees on Appropriations: *Provided further*, That during fiscal year 1981, gross obligations of not to exceed $14,040,000 are authorized for payments under section 230 (a) of the National Housing Act as amended by section 341 of the Housing and Community Development Act of 1980 (P.L. 96-399), from the insurance fund chargeable for benefits on the mortgage covering the property to which the payments made relate, and payments in connection with such obligations are hereby approved.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 19 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert: $43,000,000: *Provided*, That the effective date of the safety standard for walk behind power lawn mowers as promulgated in 16 CFR part 1205 is hereby delayed to June 30, 1982

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 23 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: *Provided*, That notwithstanding any other provision of law, not to exceed $8,000,000 shall be available for support to State, regional, local and interstate agencies in accordance with subtitle D of the Solid Waste Disposal Act, as amended, other than sections 4008(a)(2) or 4009.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 25 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: *Provided*, That none of the funds appropriated in this Act shall be used to enforce, retroactively, any regulation issued under the construction grants program or any project requirements or conditions not in effect at the time the grant for a project is awarded, except as expressly required by law or by executive order: Provided further, That advanced wastewater treatment reviews initiated by program review memorandum 79-7 shall be exempt from this requirement

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 29 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: Not to exceed 1 per centum of any appropriation made available to the Environmental Protection Agency by this Act (except appropriations for "Construction grants") may be transferred to any other such appropriation prior to March 31, 1981.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 37 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

RESEARCH AND DEVELOPMENT

For necessary expenses, not otherwise provided for, including research, development, operations, services, minor construction, maintenance, repair, rehabilitation and modification of real and personal property; tracking and data relay satellite services as authorized by law; purchase, hire, maintenance, and operation of other than administrative aircraft, necessary for the conduct and support of aeronautical and space research and development activities of the National Aeronautics and Space Administration; and including not to exceed (1) $29,000,000 for Space Transportation Systems Upper Stages, (2) $30,900,000 for Space Transportation Systems Operations—Upper Stages, (3) $119,300,000 for the Space Telescope, (4) $39,600,000 for the International Solar Polar Mission, (5) $19,100,000 for the Gamma Ray Observatory, (6) $63,100,000 for Project Galileo, (7) $88,500,000 for Landsat D, (8) $1,873,000,000 for the Space Shuttle, and (9) $149,700,000 for Spacelab, without the approval of the Committees on Appropriations, $4,396,200,000, to remain available until September 30, 1982.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 45 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: $987,900,000, including not more than $6,000,000 for new research opportunities grants for women.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 59 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert: $423,774,000

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 60 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert: $409,534,000.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 67 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: Nothing herein affects the authority of the Consumer Product Safety Commission pursuant to section 7 of the Consumer Product Safety Act (15 U.S.C. 2056 et seq.).

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 69 to the aforesaid bill, and concur therein with an amendment as follows:

Strike out the matter stricken by said amendment, and insert:

SEC. 412. Notwithstanding any other provision of this Act, the total budget authority provided by this Act for payments not required by law shall be reduced by 2 per centum: *Provided*, That of the amount provided in this Act for each appropriation account, activity, and project for payments not required by law, the amount reduced shall not exceed 3 per centum: Provided further, That this section shall not apply to budget

authority provided by this Act for the Veterans Administration.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 73 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section number named in said amendment, insert: 415

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 74 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section number named in said amendment, insert: 416

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 76 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section number named in said amendment, insert: 417

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 77 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 418. Notwithstanding any other provision of this Act, any amount appropriated by this Act for the fiscal year ending September 30, 1981, for any department, agency, or instrumentality of the United States Government, which is available to pay for or conduct advertising or public relations activities is reduced by 10 per centum: *Provided*, That this section shall not apply to funds provided for the Veterans Administration.

The ACTING PRESIDENT pro tempore. Without objection, the amendments are considered and agreed to en bloc.

Mr. PROXMIRE. Mr. President, I move to reconsider the votes by which the amendments and the conference report were agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CHILD PASSENGER SAFETY WEEK

Mr. CRANSTON. Mr. President, I would like to bring to the attention of the Senate an event scheduled by the city of San Francisco for January 23–30, 1981. The mayor of San Francisco has proclaimed that week "Child Passenger Safety Week."

Mr. President, auto accidents are the leading cause of death of children over 1 year of age, killing more children than any other disease or condition. In 1979, over 100 child passengers died and over 13,000 were injured in California.

These statistics are doubly tragic when we recognize that auto accidents are the No. 1 preventable cause of death for children of all ages.

Eighty to ninety percent of these deaths, and most of the serious injuries, are preventable through using proven safety measures. It is shocking that less than 16 percent of children in California are in fact buckled up when riding in vehicles.

The solution is to educate parents to the problem and to encourage them to make sure their children are wearing seatbelts in cars.

The San Francisco Bay Area is taking the lead to reduce this cause of needless suffering and death of children. As part of San Francisco s "Child Passenger Safety Week," the San Francisco Child Passenger Safety Council, which is composed of various community agencies, is holding a conference on January 23, 1981, to inform the community that children's lives can be saved by the use of approved and properly installed car safety seats.

The lives that can be saved are priceless.

The sorrow and grief that can be averted cannot be measured.

The savings in public expenditures, however, can be measured.

It is estimated that the cost for the care of each severely head-injured and brain-damaged child is $48,000 per child for rehabilitative hospital care, plus over $200,000 per child for lifetime custodial care in State-supported hospitals. These figures do not include the cost for acute medical care, nor long-term nonhospital rehabilitation, nor special schooling, nor other needed support services. Public resources, most notably medicaid—in California MediCal—and crippled children's services—California Children's Services—frequently provide the principal means of payment.

It is estimated that the cost for less severe injuries resulting, on the average, in at least one day of hospitalization is more than $2,000 per accident.

Mr. President, the pain and tragedy and these substantial public costs can and should be avoided very easily. Parents need only make a habit of seeing to it that their children are buckled-up every time they go for a drive. It should be as automatic as turning the ignition key. Forming that kind of a habit will assure the safety of children and avoid the enormous heartache and suffering that follows a preventable accident.

ST. MICHAEL'S COLLEGE

Mr. LEAHY. Mr. President, as a lifelong Vermonter and an alumnus of St. Michael's College, I have watched it grow with a great deal of pride. St. Michael's is not only one of Vermont's finest educational institutions, but it also contributes invaluable services to its community.

St. Michael's recently observed its 75th anniversary, and I ask unanimous consent to have the following editorial from the Burlington Free Press printed in the RECORD.

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

[From the Burlington Free Press, Nov. 14, 1980]

ST. MICHAEL'S COLLEGE MAKES ITS MARK ON NEW ENGLAND

Colleges and universities do not age in the same way as people do.

No matter how old an educational institution may be, there is something about it that conveys a sense of being forever young because of the excitement of learning that pervades its campus and the dynamism of intellectual curiosity that throbs in its student body. Even though its history may be measured in centuries or decades, it is only as old as yesterday and as young as today.

During its 75 years as part of the Greater Burlington community, St. Michael's College has undergone the same metamorphosis as other educational institutions. From a small college that opened its doors to 34 students in 1904, St. Michael's has grown into an institution with an enrollment of 1,642 undergraduate men and women and 1,000 graduate and international students. More than that, it has earned a reputation throughout New England for the quality of its teaching and the strength of its programs. Thousands of graduates today are successful businessmen, scientists and artists. Because it has stressed the liberal art curriculum, its alumni and almunae are well prepared to cope with the complexities of modern society.

Thousands of foreign students have received language training in its international student programs and have returned to their nations to teach or to take government posts. American teachers also have been trained to bring language programs to other countries. In 1956, hundreds of Hungarian refugees were brought to the campus for English language courses.

To mark the 75th anniversary, the college sponsored a series of symposiums, seminars, plays, concerts and other cultural events that brought many people from the area to the campus to share in the observance.

The activities will come to a close this weekend with several special events. Saturday's program will include "75 Tomorrows," featuring slides, film, music and commentary on the colleges history, and presentation of an honorary doctor of laws degree to the Rev. Timothy S. Healy, S.J., president of Georgetown University. Father Healy will deliver an address after receiving the degree. Bishop John A. Marshall will celebrate the jubilee Mass Sunday in the Chapel of St. Michael the Archangel on the campus.

The college community then can look forward to the celebration of the centennial in 25 years.

In the years to come, St. Michael's certainly will make invaluable contributions to higher education in the region and to the cultural and intellectual life of its Chittenden County neighbors.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

PRESIDENTIAL APPROVALS

A message from the President of the United States reported that on December 2, 1980, he had approved and signed the following acts:

S. 43. An Act to promote safety and health in skiing and other outdoor winter recreational activities.

S. 1135. An Act to provide for certain lands to be held in trust for the Moapa Band of Paiutes and to be considered to be part of the Moapa Indian Reservation.

S. 2251. An Act to amend the Clayton Act to prohibit restriction on the use of credit instruments in the purchase of gasohol.

MESSAGES FROM THE HOUSE

At 10:16 a.m., a message from the House of Representatives, delivered by Mr. Gregory, one of its reading clerks announced that the House has passed the following bill and joint resolution, in which it requests the concurrence of the Senate:

H.R. 3637. An act to carry out the obligations of the United States under the International Coffee Agreement, 1976, signed at New York on February 27, 1976, and entered into force for the United States on October 1, 1976, and for other purposes; and

H.J. Res. 598. Joint resolution authorizing the President to enter into negotiations with foreign governments to limit the importation of automobiles and trucks into the United States.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the following enrolled bill:

S. 568. An act to authorize appropriations for activities for the National Science Foundation for the fiscal year 1981, and to promote the full use of human resources in science and technology through a comprehensive and continuing program to increase substantially the contribution and advancement of women and minorities in scientific, professional, and technical careers, and for other purposes.

The enrolled bill was subsequently signed by the Acting President pro tempore (Mr. MORGAN).

At 11:12 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks announced that the House has agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the following bill:

S. 2363. An act to authorize the establishment of the Georgia O'Keeffe National Historic Site, and for other purposes.

At 12:22 p.m., a message from the House of Representatives, delivered by Mr. Gregory, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7765) to provide for reconciliation pursuant to section 3 of the First Concurrent Resolution on the Budget for the fiscal year 1981.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5487) to designate certain National Forest System lands in the States of Colorado and South Dakota for inclusion in the National Wilderness Preservation System, and for other purposes.

ENROLLED BILLS SIGNED

The message further announced that the Speaker has signed the following enrolled bills:

H.R. 6086. An act to provide for the settlement and payment of claims of United States civilian and military personnel against the United States for losses resulting from acts of violence directed against the United States Government or its representatives in a foreign country or from an authorized evacuation of personnel from a foreign country;

H.R. 6211. An act to authorize the Secretary of the Interior to issue certain patents under the Color of Title Act;

H.R. 7466. An act to amend section 3102 of title 5, United States Code, and section 7 of the Federal Advisory Committee Act to permit the employment of personal assistants for handicapped Federal employees both at their regular duty station and while on travel status; and

H.R. 7805. An act to authorize appropriations for the American Folklife Center for fiscal years 1982, 1983, and 1984.

The enrolled bills were subsequently signed by the Acting President pro tempore (Mr. MORGAN).

At 2:34 p.m., a message from the House of Representatives, delivered by Mr. Berry, announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 637. Joint resolution making further continuing appropriations for the fiscal year 1981, and for other purposes.

At 4:25 p.m., a message from the House of Representatives, delivered by Mr. Gregory, announced that the House has passed the following bill, without amendment:

S. 3235. An act to clarify certain effective date provisions of the Customs Court Act of 1980.

The message also announced that the House insists upon its disagreement to the amendment of the Senate numbered 70 to the bill (H.R. 6671) to unify the rules for preventing collisions on the inland waterways of the United States, and for other purposes.

The message further announced that the House agrees to the amendment of the Senate to the amendment of the House to the following bill, with amendments:

S. 1148. An act to reauthorize title I of the Marine Protection, Research, and Sanctuaries Act, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker has signed the following enrolled bill:

H.R. 7584. An act making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending September 30, 1981, and for other purposes.

The enrolled bill was subsequently signed by the President pro tempore (Mr. MAGNUSON).

At 6:27 p.m., a message from the House of Representatives, delivered by Mr. Gregory, announced that the House insists upon its amendments to the bill (S. 2189) to establish a program for Federal storage of spent fuel from civilian nuclear powerplants, to set forth a Federal policy and initiate a program for the disposal of nuclear waste from civilian activities, and for other purposes; asks conference with the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. STAGGERS, Mr. DINGELL, Mr. OTTINGER, Mr. SHARP, Mr. MARKEY, Mr. UDALL, Mr. HUCKABY, Mr. VENTO, Mr. KOSTMAYER, Mr. SANTINI, Mr. DERRICK, Mr. BROYHILL, Mr. BROWN of Ohio, Mr. CORCORAN, Mr. LUJAN, Mr. SYMMS, and Mr. CHENEY as managers of the conference on the part of the House.

The message also announced that the House agrees to the amendment of the Senate to the amendment of the House to the bill (S. 658) to correct technical errors, clarify and make minor substantive changes to Public Law 95-598, with an amendment, in which it requests the concurrence of the Senate.

The message further announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 213. Joint resolution to designate the Clinical Center of the National Institutes of Health located in Montgomery County, Maryland, as the "Warren Grant Magnuson Clinical Center of the National Institutes of Health".

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

H.R. 2145. An act for the relief of Florette Ivoree Gayle and Keisha Darajan Karr;

H.R. 2533. An act for the relief of Mrs. Kerry Ann Wilson;

H.R. 3138. An act for the relief of Surip Karmowiredjo;

H.R. 3396. An act for the relief of George David Maxwell, Director of Medicine;

H.R. 4386. An act for the relief of Mr. and Mrs. Clarence Overson;

H.R. 5016. An act for the relief of David Roland Weaver;

H.R. 6011. An act for the relief of William H. Koss; and

H.R. 6069. An act for the relief of I Wen Wang Chen.

ENROLLED BILLS SIGNED

The message further announced that the Speaker has signed the following enrolled bills:

S. 1835. An Act to extend the Joint Funding Simplification Act of 1974;

H.R. 6942. An Act to authorize appropriations for the fiscal year 1981 for international security and development assistance, the Peace Corps, and refugee assistance, and for other purposes; and

H.R. 8228. An Act to provide that a certain portion of Lake Erie shall be declared nonnavigable.

HOUSE MEASURES REFERRED

The following measures were read twice by their title, and referred as indicated:

H.R. 2145. An act for the relief of Florette Ivoree Gayle and Keisha Darajan Karr; to the Committee on the Judiciary.

H.R. 2533. An act for the relief of Mrs. Kerry Ann Wilson; to the Committee on the Judiciary.

H.R. 3138. An act for the relief of Surip Karmowiredjo; to the Committee on the Judiciary.

H.R. 3396. An act for the relief of George David Maxwell, Director of Medicine; to the Committee on the Judiciary.

H.R. 3637. An act to carry out the obligations of the United States under the International Coffee Agreement, 1976, signed at New York on February 27, 1976, and entered into force for the United States on October 1, 1976, and for other purposes; to the Committee on Finance.

H.R. 4386. An act for the relief of Mr. and

Mrs. Clarence Overson; to the Committee on the Judiciary.

H.R. 5016. An act for the relief of David Roland Weaver; to the Committee on the Judiciary.

H.R. 6011. An act for the relief of William H. Koss; to the Committee on the Judiciary.

H.R. 6069. An act for the relief of I Wen Wang Chen; to the Committee on the Judiciary.

H.R. 6257. An act to authorize the Secretary of Agriculture to convey certain National Forest System lands, and for other purposes: by unanimous consent, referred jointly to the Committee on Agriculture, Nutrition, and Forestry and the Committee on Energy and Natural Resources.

H.J. Res. 598. Joint resolution authorizing the President to enter into negotiations with foreign governments to limit the importation of automobiles and trucks into the United States; to the Committee on Finance.

H.J. Res. 637. Joint resolution making further continuing appropriations for the fiscal year 1981, and for other purposes; to the Committee on Appropriations.

ENROLLED BILL PRESENTED

The Secretary reported that on today, December 3, 1980, he had presented to the President of the United States the following enrolled bill:

S. 568. An act to authorize appropriations for activities for the National Science Foundation for the fiscal year 1981, and to promote the full use of human resources in science and technology through a comprehensive and continuing program to increase substantially the contribution and advancement of women and minorities in scientific, professional, and technical careers, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–4990. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Financing Rural Electric Generating Facilities: A Large And Growing Activity"; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4991. A communication from the Architect of the Capitol, transmitting, pursuant to law, a report of all expenditures during the period April 1, 1980 through September 30, 1980, from moneys appropriated to the Architect of the Capitol; to the Committee on Appropriations.

EC–4992. A communication from the Assistant Secretary of the Air Force (Research, Development, and Logistics), transmitting, pursuant to law, notice of a study with respect to converting the commissary shelf-stocking and custodial services function at Gunter Air Force Base, Alabama, and the decision that performance under contract is the most cost-effective method of accomplishment; to the Committee on Armed Services.

EC–4993. A communication from the Assistant Secretary of the Air Force (Research, Development, and Logistics), transmitting, pursuant to law, notice of a study with respect to converting the military family housing function at Wright-Patterson Air Force Base, Ohio, and the decision that performance under contract is the most cost-effective method of accomplishment; to the Committee on Armed Services.

EC–4994. A communication from the Deputy Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on the reapportionment of an appropriation; on a basis that indicates a need for a supplemental estimate of appropriation; to the Committee on Appropriations.

EC–4995. A communication from the Secretary of the Interstate Commerce Commission, transmitting, pursuant to law, notice that the Commission is unable to render a final decision in Docket No. 37420 Iron and Steel Scrap, Illinois Rate Committee Territory within the initially specified 7-month period; to the Committee on Commerce, Science, and Transportation.

EC–4996. A communication from the Secretary of the Federal Energy Regulatory Commission, transmitting, pursuant to law, a report on the final valuation of properties of carriers subject to the Interstate Commerce Act; to the Committee on Commerce, Science, and Transportation.

EC–4997. A communication from the Secretary of Transportation, transmitting, pursuant to law, a study of Amtrak's tax payments to States and localities, dated September 1980; to the Committee on Commerce, Science, and Transportation.

EC–4998. A communication from the Director of the Office of Congressional, Consumer, and Public Affairs, Federal Energy Regulatory Commission, transmitting, pursuant to law, the annual report of the Commission for fiscal year 1979; to the Committee on Energy and Natural Resources.

EC–4999. A communication from the Deputy Under Secretary of the Interior (Territorial and International Affairs), transmitting, pursuant to law, a copy of the Annual Report of the Financial Condition of the Trust Territory of the Pacific Islands for the fiscal year ended September 30, 1979; to the Committee on Energy and Natural Resources.

EC–5000. A communication from the Secretary of Commerce, transmitting, pursuant to law, the annual report on ocean pollution, overfishing, and offshore development for the period October 1977 through September 1978; to the Committee on Environment and Public Works.

EC–5001. A communication from the Acting Assistant Secretary of State for International Organization Affairs, transmitting, pursuant to law, several documents from the United Nations System; to the Committee on Foreign Relations.

EC–5002. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the sixty day period prior to November 26, 1980; to the Committee on Foreign Relations.

EC–5003. A communication from the Secretary of Labor, transmitting, pursuant to law, the semi-annual report of the Office of Inspector General, Department of Labor, for the period April 1 through September 30, 1980; to the Committee on Governmental Affairs.

EC–5004. A communication from the Secretary of Transportation, transmitting, pursuant to law, the semi-annual report of the Office of Inspector General, Department of Transportation for the period April 1 through September 30, 1980; to the Committee on Governmental Affairs.

EC–5005. A communication from the Special Assistant to the President for Administration, transmitting, pursuant to law, certain information concerning personnel employed in the White House Office, the Executive Residence at the White House, the Office of the Vice President, the Domestic Policy Staff, and the Office of Administration; to the Committee on Governmental Affairs.

EC–5006. A communication from the Acting Assistant Secretary for Administration, Department of Transportation, transmitting, pursuant to law, a report on a proposed system of records for the Department for implementing the Privacy Act; to the Committee on Governmental Affairs.

EC–5007. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, the semi-annual report of the Office of Inspector General of NASA for the period ending September 30, 1980; to the Committee on Governmental Affairs.

EC–5008. A communication from the Acting Deputy Assistant Secretary of the Interior for Indian Affairs, transmitting, pursuant to law, a report on cancellations and adjustments to debts against individual Indians or Indian tribes for fiscal year 1980; to the Select Committee on Indian Affairs.

EC–5009. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the eighth report of the National Heart, Lung, and Blood Advisory Council; to the Committee on Labor and Human Resources.

EC–5010. A communication from the Secretary of Education, transmitting pursuant to law, the "Final Regulations for Secretary's Discretionary Program"; to the Committee on Labor and Human Resources.

EC–5011. A communication from the Assistant Secretary for Enforcement and Operations, Department of the Treasury, and the Assistant Secretary for Health and Surgeon General, Department of Health and Human Services, transmitting, pursuant to law, a report on health hazards associated with alcohol and methods to inform the general public of these hazards; to the Committee on Labor and Human Resources.

EC–5012. A communication from the Secretary of Health and Human Services, transmitting, for the information of the Senate, notice of a delay in the submission of a report on the study of costs of environment-related health effects; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. NUNN, from the Committee on Armed Services, without amendment:

S. Res. 546. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of H.R. 7694; referred to the Committee on the Budget.

S. Res. 547. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of H.R. 3351; referred to the Committee on the Budget.

S. Res. 548. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of H.R. 7626; referred to the Committee on the Budget.

By Mr. NUNN, from the Committee on Armed Services, without amendment:

H.R. 3351. An act to amend chapter 55 of title 10, United States Code, to authorize dependents of members of the uniformed

services serving on active duty to use CHAMPUS inpatient cost-sharing rates for certain surgery performed on an outpatient basis (Rept. No. 96–1049).

H.R. 5856. An act to amend title 32, United States Code, to allow Federal recognition as officers of the National Guard of members of the National Guard of the Virgin Islands in grades above the grade of colonel (Rept. No. 96–1050).

By Mr. NUNN, from the Committee on Armed Services, with an amendment (in the nature of a substitute):

H.R. 7626. An act to amend title 37, United States Code, to improve certain special pay and allowance benefits for members of the uniformed services, and for other purposes (Rept. No. 96–1051).

By Mr. NUNN, from the Committee on Armed Services, with amendments:

H.R. 7682. An act to amend title 10, United States Code, to provide greater flexibility for the Armed Forces in ordering Reserves to active duty, and for other purposes (Rept. No. 96–1052).

By Mr. NUNN, from the Committee on Armed Services, with amendments, and an amendment to the title:

H.R. 7694. An act to provide civilian career employees of the Department of Defense who are residents of Guam, the Virgin Islands, or the Commonwealth of Puerto Rico the same relative rotation rights as apply to other career employees, to authorize the Delegates in Congress from Guam and the Virgin Islands to have two appointments at a time, rather than one appointment, to each of the service academies, and to authorize the establishment of a National Guard of Guam (Rept. No. 96–1053).

By Mr. HOLLINGS, from the Committee on the Budget, without amendment:

S. Res. 543. A resolution waiving section 402(a) of the Congressional Budget Act with respect to the consideration of H.R. 8388.

By Mr. EAGLETON, from the Committee on Governmental Affairs, without amendment:

H.R. 7815. An act to recognize the meritorious achievements of certain individuals by providing for the designation of certain post offices in their honor, and for other purposes.

Mr. Mr. MAGNUSON, from the Committee on Appropriations, with amendments:

H.J. Res. 637. Joint resolution making further continuing appropriations for the fiscal year 1981, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DURENBERGER:

S. 3237. A bill to amend the Internal Revenue Code to provide for inflation adjustments; to the Committee on Finance.

By Mr. THURMOND:

S. 3238. A bill to encourage film corporations to donate certain historical film to educational organizations by increasing the limit on the charitable contribution deduction of such corporations; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. THURMOND:

S. 3238. A bill to encourage film corporations to donate certain historical film to educational organizations by increasing the limit on the charitable contribution deduction of such corporations; to the Committee on Finance.

CONTRIBUTION OF HISTORIC FILM TO UNIVERSITY OF SOUTH CAROLINA

Mr. THURMOND. Mr. President, today I am pleased to introduce legislation to facilitate a corporate gift of historic newsreel film by Movietonews, Inc., a wholly owned subsidiary of Twentieth Century-Fox Film Corp., to the University of South Carolina.

This bill would amend section 170 of the Internal Revenue Code, pertaining to tax deductions for gifts, to allow Twentieth Century-Fox an increased charitable gift deduction in the tax years 1980 through 1986 for this unique contribution of newsreel film. The gift will consist of some 50 million feet of both silent and sound film, depicting U.S. and world history for the years 1919 through 1963. In addition to its most generous action in granting this invaluable material to the University of South Carolina, Twentieth Century-Fox is also bearing the expense of converting the explosive nitrate stock, containing approximately half of the material, onto safety film stock that can be safely and conveniently preserved for posterity. The cost of this conversion, which will take 6 to 7 years to complete, is expected to be $5 to $6 million.

Mr. President, I have discussed this matter with Dr. James B. Holderman, president of the University of South Carolina, and he informs me that the university is extremely pleased and excited about the prospects of this gift. The university is in the process of constructing a new arts center, a significant part of which will be dedicated to the storage and exhibition of this historic film material. The university desires to receive the entire library of film as quickly as the processing onto safety stock can be completed and the arts center is prepared to handle the gift. It is essential that the nitrate film stock be promptly converted, as its quality is deteriorating and there is an ever-present danger of an explosion destroying the entire stock.

Mr. President, the preservation of this historic treasure certainly serves the national interest. This limited change in the Tax Code will greatly facilitate this gift and insure that the material is safely preserved for the benefit of present and future generations.

ADDITIONAL COSPONSORS

S. 506

At the request of Mr. MOYNIHAN, his name was added as a cosponsor of S. 506, a bill to amend title VIII of the act commonly called the Civil Rights Act of 1968 to revise the procedures for the enforcement of fair housing, and for other purposes.

S. 2686

At the request of Mr. BUMPERS, the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of S. 2686, a bill to direct the Secretary of the Interior to provide for the protection of the Barrier Islands, and for other purposes.

S. 3229

At the request of Mr. ROBERT C. BYRD, his name was added as a cosponsor of S. 3229, a bill to amend the Foreign Assistance Act of 1961 to authorize the appropriation of special earthquake relief assistance for Italy for fiscal year 1980, and for other purposes.

At the request of Mr. LEVIN, his name was added as a cosponsor of S. 3229, supra.

SENATE JOINT RESOLUTION 123

At the request of Mr. HEINZ, the Senator from Florida (Mr. CHILES) was added as a cosponsor of Senate Joint Resolution 123, a joint resolution to authorize and request the President to issue a proclamation designating the calendar week beginning with the first Sunday in June of each year as "National Garden Week."

SENATE CONCURRENT RESOLUTION 114

At the request of Mr. LUGAR, the Senator from Utah (Mr. GARN) was added as a cosponsor of Senate Concurrent Resolution 114, a concurrent resolution to express the sense of the Congress with the respect to the independence and integrity of the people and Government of Jamaica.

SENATE CONCURRENT RESOLUTION 137—CONCURRENT RESOLUTION AUTHORIZING CHANGES IN THE ENROLLMENT OF H.R. 7765

Mr. WILLIAMS (for himself, Mr. BRADLEY, Mr. STEWART, Mr. SIMPSON, Mr. CHAFEE, Mr. DURENBERGER, Mr. DURKIN, Mr. HATFIELD, Mr. LEVIN, Mr. THURMOND, Mr. TSONGAS, Mr. HAYAKAWA, Mr. MORGAN, Mr. BIDEN, Mr. ROTH, Mr. SCHMITT, Mr. WARNER, Mr. HUDDLESTON, Mr. RIEGLE, Mr. STAFFORD, Mr. LEAHY, Mr. PELL, Mr. CANNON, Mr. COHEN, Mr. CRANSTON, Mr. SARBANES, and Mr. HEFLIN) submitted the following concurrent resolution, which was referred, by unanimous consent, to the Committee on Finance:

S. CON. RES. 137

Resolved by the Senate (the House of Representatives concurring), That the Clerk of the House of Representatives is authorized and directed, in the enrollment of H.R. 7765, An Act to provide for reconciliation pursuant to section 3 of the First Concurrent Resolution on the Budget for the fiscal year 1981, to make the following change:

In subsection (i) of section 103A of the Internal Revenue Code of 1954, as added by section 1102 of the Act,

(1) changing the title to read "Arbitrage and Investment Gains." and

(2) striking "to the mortgagors as rapidly as may be practicable." and inserting in lieu thereof the following:

", at the time the entire issue is redeemed or discharged, first, to the issuer to the extent of any money contributed by the issuer at the time the bonds were issued to reduce the effective rate of interest on the mortgages, and second, to the Treasury of the United States to the extent of any excess."

Mr. WILLIAMS. Mr. President, I am submitting a concurrent resolution for myself and 26 other Senators. It addresses the arbitrage limitations adopted in title 9 of the conference report on the Omnibus Reconciliation Act of 1980.

Mr. President, I ask unanimous consent that it be referred to the Committee on Finance.

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

SENATE RESOLUTION 546—ORIGINAL RESOLUTION REPORTED WAIVING THE CONGRESSIONAL BUDGET ACT

Mr. NUNN, from the Committee on Armed Services, reported the following original resolution; which was referred to the Committee on the Budget:

S. RES. 546

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of H.R. 7694, a bill to provide civilian career employees of the Department of Defense who are residents of Guam, the Virgin Islands, or the Commonwealth of Puerto Rico the same relative rotation rights as apply to other career employees, to authorize the Delegates in Congress from Guam and the Virgin Islands to have two appointments at a time, rather than one appointment, to each of the service academies and to authorize the establishment of a National Guard of Guam.

Such a waiver is necessary because section 402(a) of the Congressional Budget Act of 1974 provides that it shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution which, directly or indirectly, authorizes the enactment of new budget authority for a fiscal year, unless that bill or resolution is reported in the House or the Senate, as the case may be, on or before May 15 preceding the beginning of such fiscal year.

For the foregoing reasons, pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to H.R. 7694, as reported by the Committee on Armed Services.

SENATE RESOLUTION 547—ORIGINAL RESOLUTION REPORTED WAIVING THE CONGRESSIONAL BUDGET ACT

Mr. NUNN, from the Committee on Armed Services, reported the following original resolution; which was referred to the Committee on the Budget:

S. RES. 547

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of H.R. 3351, a bill to amend chapter 55 of title 10, United States Code, to authorize dependents of members of the uniformed services serving on active duty to use CHAMPUS inpatient cost-sharing rates for certain surgery performed on an outpatient basis.

Such a waiver is necessary because section 402(a) of the Congressional Budget Act of 1974 provides that it shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution which, directly or indirectly, authorizes the enactment of new budget authority for a fiscal year, unless that bill or resolution is reported in the House or the Senate, as the case may be, on or before May 15 preceding the beginning of such fiscal year.

For the foregoing reasons, pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to H.R. 3351, as reported by the Committee on Armed Services.

SENATE RESOLUTION 548—ORIGINAL RESOLUTION REPORTED WAIVING THE CONGRESSIONAL BUDGET ACT

Mr. NUNN, from the Committee on Armed Services, reported the following original resolution; which was referred to the Committee on the Budget:

S. RES. 548

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of H.R. 7626, a bill to amend Title 37, United States Code, to improve certain special pay and allowance benefits for members of the uniformed services, and for other purposes.

Such a waiver is necessary because section 402(a) of the Congressional Budget Act of 1974 provides that it shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution which, directly or indirectly, authorizes the enactment of new budget authority for a fiscal year, unless that bill or resolution is reported in the House or the Senate, as the case may be, on or before May 15 preceding the beginning of such fiscal year.

For the foregoing reasons, pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to H.R. 7626, as reported by the Committee on Armed Services.

AMENDMENTS SUBMITTED FOR PRINTING

ENFORCEMENT OF FAIR HOUSING

AMENDMENT NO. 2637

(Ordered to be printed and to lie on the table.)

Mr. DOLE submitted an amendment intended to be proposed by him to the bill (H.R. 5200) to amend title VIII of the act commonly called the Civil Rights Act of 1968 to revise the procedures for the enforcement of fair housing, and for other purposes.

AMENDMENTS NOS. 2638 AND 2639

(Ordered to be printed and to lie on the table.)

Mr. HELFIN submitted two amendments intended to be proposed by him to the bill H.R. 5200, supra.

AMENDMENTS NOS. 2642 AND 2643

(Ordered to be printed and to lie on the table.)

Mr. DECONCINI submitted two amendments intended to be proposed by him to the bill H.R. 5200, supra.

AMENDMENT NOS. 2642 AND 2643

(Ordered to be printed and to lie on the table.)

Mr. DECONCINI submitted two amendments intended to be proposed by him to the bill (S. 506) to amend title VIII of the act commonly called the Civil Rights Act of 1968 to revise the procedures for the enforcement of fair housing, and for other purposes.

ADDITIONAL STATEMENTS

TRIBUTE TO SENATOR WARREN MAGNUSON

● Mr. YOUNG. Mr. President, I want to join the many other Senators in paying tribute to our beloved friend and colleague, WARREN MAGNUSON, who will be retiring with this session.

MAGGIE, as we have all come to know him, has served 44 years in the House and Senate, which is equaled by only a few in the history of this body. He was elected all these years largely because the people of Washington had great admiration and confidence in him. He has served Washington and the Nation exceptionally well. During his long years of service he has handled many difficult assignments with great ability.

During all these busy years in the Senate, MAGGIE has had the unique ability of carrying a heavy load and often difficult assignments. Through it all he acquired many good personal friends and among them several Presidents of the United States.

MAGGIE has always been a very special friend of mine and was the first Senator that I met when I first came to Washington. We spent many happy hours together, especially during my first years when our workload was not as heavy and when I needed a friend the most. I especially enjoyed the years we spent together—he as chairman of the Senate Appropriations Committee and me as the ranking minority member.

There is another reason why I am personally very proud of him. He was born in North Dakota and orphaned at an early age. Few people have come as far in this world as he has, and by his own initiative, hard work and determination.

Pat and I wish many happy years of retirement to Jermaine and MAGGIE.●

HOLBROOKE'S JAPAN SOCIETY SPEECH

● Mr. GLENN. Mr. President, Japan receives much criticism these days for its trading practices. I myself have been critical at times. Nevertheless, Japan continues to be one of our staunchest allies and a cooperative partner in a growing list of common global concerns. Richard C. Holbrooke, Assistant Secretary of State for East Asian and Pacific Affairs, Department of State, emphasized this same theme in a recent speech to the Japan society entitled, "United States-Japanese Relations in 1980's."

In his words:

Our fundamental challenge during the 1980's will be to consolidate and integrate our major alliances—with NATO, with Japan, with ANZUS. This process is well underway in the Pacific, but there is work yet to be done. Our strategic interests in remaining a vital Asian power are more apparent today than ever. But there cannot be a strong American policy in the Pacific if it doesn't begin with a strong U.S.-Japanese relationship.

This fact seems to be appreciated today

by the American public, as illustrated by the Potomac Associates Poll. . . . Although the poll showed that the American public correctly identified Japan as the major source of threat to American jobs there was a very significant growth in acceptance of Japan as a major treaty ally, and a country to whom the United States should commit its own national prestige if Japan's security is threatened. Almost 70 percent believe we should come to Japan's defense if attacked, up from only 37% six years ago. This suggests to me that the American public is capable of making the sometimes difficult distinction between trading rivals and strategic partners. That distinction is essential if we are to continue to build U.S. Pacific policy around an unbreakable Tokyo-Washington alliance.

I request that the entire speech be included in the RECORD.

The speech follows:

UNITED STATES-JAPANESE RELATIONS IN THE 1980's

(By Richard C. Holbrooke)

During the last few months, I have given a number of speeches on strategic issues in East Asia, the continuing war in Indochina, and the development of our new relationship with China. Although Japan has figured importantly in those speeches, as the cornerstone of our strategic posture and our strategic interests in the area, I have not yet discussed in any detail how I see the evolution of US-Japanese relations in the midst of these other developments. I would like to do that today, and I'm grateful to Dave McEachron for providing a forum that is more deeply involved in—and more deeply concerned with—US-Japanese relations than any other in the United States. The work of the members of the Japan Society, acting through the institution and individually, has been and remains crucial to our strong ties with Japan.

In less than two months I shall be leaving my present position. I shall leave with a sense of satisfaction that our relations with Japan have matured into a full-fledged, more equal and productive partnership. Nevertheless, challenges remain before us in the 1980's, challenges that will test our ibility and creativity in adapting the US-Japanese alliance to an increasingly uncertain environment.

Today I shall outline for you what I think the essential challenges will be in our relations with Japan during the 1980's. But before I do that, let me make a number of observations about recent developments in US-Japanese relations which will deeply affect how we approach issues of the 1980's.

In the past four years, Japan's role in the world has begun the transformation from one of caution, with almost total attention to pragmatically-centered economic activity, to political activism, partnership and leadership.

This change was first evident when Prime Minister Fukuda traveled to Southeast Asia in 1977, declared the "Fukuda Doctrine", and opened a new relationship for Japan with the nations of ASEAN. Following that, and with Foreign Ministers Sonoda, Okita, and Ito playing leading roles, the sense of Japanese responsibility grew, not only within the government but in society at large. Under Prime Minister Ohira, and now Prime Minister Suzuki, the Government of Japan has actively reassessed the meaning of alliance and partnership, and the results, particularly in the last year, have been nothing short of astounding.

While hoping to improve relations with the Soviet Union, Japan has nonetheless taken a forthright stand in imposing sanctions on Moscow, believing as we do that the invasion of Afghanistan cannot go unanswered. Japan has stood second to none in rejecting Soviet aggression. It joined the Olympic boycott—a difficult step for both the government and the private parties involved. It has maintained economic sanctions even in the face of less principled behavior by others who have moved in to pick up contracts Japan might have had. It has provided massive new aid to Pakistan and Turkey, not, as is so often alleged, because this would open export markets, but as an instrument for strategic purposes.

Japan accepted a cut-off of over 10 percent in its crucial oil shipments when it refused to pay higher prices demanded by Iran, thus aiding significantly in halting the spiraling price of petroleum. And also with regard to Iran, I should note that, despite an unfortunate problem early in the hostage crisis, since then Japan has been second to none in its support for our efforts.

Japan has greatly expanded its policy-level contacts with Europe, working closely with the European Community, as well as with the United States, not only on Iranian sanctions but in developing a dialogue on a broad range of issues. This global approach is one of the striking features of the new Japanese policy.

The relationship with ASEAN has deepened, and Japan has worked very closely with those nations, providing massive refugee assistance (second only to the US) and playing a front-line role in the UN vote on Kampuchean credentials. Perhaps partially in recognition of the leadership role Japan played on the latter question, it was overwhelmingly voted in to serve on the Security Council recently. Only a year ago Japan had to withdraw from a similar effort.

Again in Southeast Asia, no nation has been more eager or more active in attempting to use its good offices and diplomatic resources to achieve a solution to the Kampuchean problem.

And finally, Japan has adopted a supportive and constructive approach to the allied effort to limit the damage of the Iran-Iraq war.

Speculation that these steps were purely reactive and situational—that they did not obey any larger policy concept—was dispelled by the remarkable language in the Foreign Minister's annual policy report (the Blue Book) issued in August. I quote: "International relations are no longer considered as a given condition for Japan, but rather something which Japan should help form. As a responsible member of the international community, Japan must be prepared to make difficult choices, even make sacrifices. Such an attitude is to be backed up by a strong conviction that Japan must defend its basic values, that is, freedom and democracy . . . and further strengthen solidarity and cooperation with free nations, such as the United States and the Western European countries." Few countries in the world today have stated their basic orientation so forthrightly.

Part of the motivation for this new approach is simply greater uncertainty about the international environment and a desire to seek safety in numbers. But I think a careful reading of Japanese political, public and press opinion also reveals a new positive concept of Japanese interests and responsibilities. No longer is it adequate in Japanese minds to be economically strong and politically neutral. Peace in the Middle East and Persian Gulf is vital to Japan's interests. Soviet aggression anywhere is a potential threat to security everywhere. Individual willingness to accept unreasonable demands for high oil prices may produce short-term supplies, but only at the cost of long-term dislocations that affect us all.

Thus Japan has moved firmly in the direction of an alliance involving all of the industrialized democracies. Not a military alliance for that would go well beyond what is politically feasible or desirable for Japan. But a political-economic alliance in which we all work together to achieve our common objective.

In a very real sense, I would argue, this represents the first stages of implementation of the "productive partnership" for the 1980's to which President Carter and Prime Minister Ohira dedicated their nations in May 1979. You may recall that such partnership was based on "shared political and economic ideals" and reflected our respective responsibilities in world affairs.

One should not assume that this has been an inevitable evolution or that it will inevitably be sustained. The Japanese Government has had to work hard with all areas of its society and body politic to garner the broad support that the policy line now enjoys. And the success is all the more remarkable in light of the severe strains within the Japanese domestic political structure in recent times.

As Japanese leaders themselves frequently point out, the starting point for that policy is the relationship with the United States. It is thus incumbent upon the Japanese—and upon us—to assure that the relationship remains dynamic and that its essence remains unaffected by the specific trade problems that seem to plague us from time to time.

Indeed, it is important to remember that the movement in Japanese policy I have described, and the increasing warmth in the relationship with the United States, has taken place during a time of considerable tension and frequent confrontation on the economic front. Given problems we have had in the past such as the textile issue, one hesitates to say that the level of problems over the past few years has been unprecedented. But I think it would be hard to find an earlier time when such a broad range of problems has existed on such basic economic issues as steel, color televisions, citrus trade, rice disposals, tobacco products, government procurement, nuclear reprocessing, and—most particularly—automobiles. And yet, as a recent poll by Potomac Associates and the Gallup organization showed, Americans continue to have an increasingly favorable view of Japan and of the Japanese people.

Let me cite some of the figures. In that poll, 84 percent of the people had a favorable opinion of Japan—higher than West Germany (81 percent) or Israel (78 percent) or 17 other countries listed in the poll. Only 12 percent had an unfavorable view.

But the economic problems did not escape those polled, over three quarters (76 percent) of whom saw Japanese imports as a serious threat to American jobs today, and almost two-thirds (62 percent) of whom saw such a serious threat 5 or 10 years from now. I should note that the number of Americans seeing Japan as an economic threat over the longer term declines, while those seeing China as an economic threat increase.

Let me turn now from the broad strategic questions I have been addressing to the bilateral relationship. Here I think the successes have also been overwhelming, but I am concerned about what I would term the "pathology" of our trade disputes—concerned that over time the tendency both sides have to bring such disputes to the edge of political calamity may one day breach the firebreak we have all worked so hard to create between them and the underlying political, economic, and security relationship.

What is that pathology? The typical scenario is for the United States to identify a specific trade problem and raise it with Japan. The Japanese respond that it isn't much of a problem, or there isn't much to be done about it, or they'll try. Time passes. Nothing happens. Egged on by pressures from the Hill and from special interests in our business community—and one must say, sometimes at the urging of some Japanese—we escalate it to the very brink of a political breach. An agreement is finally struck which the US views as inadequate and Japan views

as the result of totally unjustified public bullying which has taken place without due regard for its concerns and its problems. The immediate crisis passes, but scars have been left. The cycle then repeats itself on some other specific issue.

Some people have argued that such pressures and confrontations are necessary to move both sides from extreme positions to more rational stances. That may be so, but it is precisely this pathology that I find deeply troubling, indeed destructive.

What can we do about it? I think on the American side we must resist more vigorously the temptation to "hype" specific problems. We have not done that in the case of automobiles, however. We took our stand, of course, because we judged it in our best interest to do so. But the Japanese must appreciate that in addition to concerns for inflation and energy, part of our calculation has been one of fair play, that blaming Japan—and punishing it—for something not entirely of their making was simply wrong.

Accepting the political burdens of this type of decision must be reciprocal. Thus, when the United States calls on Japan to take justifiable steps to open its markets further—as we are now doing on tobacco products and government procurement for telecommunications—I believe it is incumbent upon Japan to respond with imaginative and serious proposals which reflect the totality of our relationship, even if this means "taking the heat" from some special interests. Quite frankly, I think the Japanese Government has done just that in many cases. So my appeal is not only to Japanese officials, but also to those special Japanese interests who may be involved in one instance or another, and to the Japanese press, which is ever vigilant for examples of U.S. pressure, to understand that we want to be reasonable, but that reason is a two-way street.

I would also be less than frank if I did not say that the strength of feeling which at least some Americans have for economic problems is in part a function of perceptions that Japan has gotten a "free ride" in the defense area. I do not happen to share these perceptions.

In fact there is a growing myth in the United States that Japan doesn't have armed forces. This myth, which the Japanese have helped to perpetuate, creates a base of misinformation from which the issue is falsely debated. The question is not whether Japan should rearm. Japan already has a significant defense establishment. Consider the following facts: the Japanese Navy includes 45 destroyers and escorts and more than 35 minesweepers; Japanese air power counts more than 370 combat aircraft. All of these figures are larger than the figures for the same categories in the Seventh Fleet and Fifth Air Force. The real question is how much and how fast should Japan build its existing forces and contribute to the common defense.

With a defense budget which has increased at almost 7 percent annually in real terms over the last decade and which now exceeds $10 billion, including about $1 billion for support of U.S. forces in Japan, forbidden from having offensive military forces by a Constitution shaped with U.S. influence, that country now has the seventh or eighth largest defense budget in the world.

But on a per capita basis the burden ($82) is about one-seventh of what Americans pay ($550), and over half of the American public wants Japan to increase its defense effort.

There is no question that the quality of the so-called "defense debate" in Japan has changed markedly in the last three years, even in the past twelve months. Not only is the Government of Japan considering an almost 10 percent budget increase this year, but the nature of the debate about Japan's role which I discussed at the outset has changed dramatically. And I think over time the combination of increased military spending and other contributions to our common security such as economic assistance will ease the concerns of most Americans about any "free ride." In our view, a change in the Japanese constitution is not necessary.

Looking to the future, let me cite briefly the elements which I believe will shape this critical relationship in the coming decade and beyond.

Because we will continue to provide the strategic umbrella in East Asia, and indeed throughout the world, we will doubtless regain some elements of the "senior-junior" relationship we have had in the past. But true partnership, which is the only sustainable model between two countries such as ours, must mean, if not an end, at least a major change in the "unequal" nature of our relations. Japan is now a major global power, and both of us must continue adjusting to this fact. It will not be easy. But we in the United States must respect legitimate Japanese concerns; must abandon the idea that "consultation" means asking what others think and then doing what we want anyway; must be willing to accept that parallel policies are sometimes as good as—if not better than—identical approaches; must be willing to follow as well as lead.

And Japan must put into active practice the notions with which it is now seized—that while protection of national interests is every nation's first priority, the interests of the major powers involve responsibilities that go beyond immediate concerns; that fairness and equity and partnership are concepts that must be broadly viewed.

On the economic side, I believe that the course of U.S.-Japanese relations over the next decade will depend more on what we do in the United States to strengthen our own economy than on any other single factor. We must increase productivity and stimulate efficient, competitive industries. At the same time, not only do real barriers to trade still exist in Japan, but a perception remains from past experience that Japan is "unfair". I believe Japan has a responsibility to go beyond simply eliminating the relatively few remaining barriers. They must change psychological attitudes toward foreign imports nurtured during the postwar reconstruction period and actively facilitate competition from abroad—if they are to maintain that kind of access to the American market. And they must take care that their domestic and foreign economic policies do not—and are perceived not to—disrupt competitive markets abroad.

In the field of security, we do not seek a redefined role for Japan. We recognize and respect their Constitutional constraints. But the challenges are great and the resources increasingly scarce. We are augmenting our own efforts to counter these trends, but I am only stating the obvious when I say that Congress and the American people will not understand—and will not tolerate—the staggering costs they will be asked to bear without significant action by our allies as well. As I have indicated, I think in both the purely military field and in foreign aid, the trends are all in the right direction. I would only underscore the importance that these trends continue—and even accelerate—and that we work together in the closest possible way in support of our shared objectives.

I feel constrained to cite one critical area which cuts across economics, politics and security, and which is vital to all our futures. That is energy.

Twice in the last four years we have faced near crises with Japan over energy-related issues. The first was nuclear reprocessing; the second oil. Both of these problems are now well understood, and indeed we have moved to a new stage of cooperation in research and development of new energy sources. But the efforts to date are, in my personal view, grossly inadequate to the real needs. And the potential for controversy is tremendous. I think we can make the accommodations necessary to avoid the pitfalls and, working together with other nations, make historic contributions to the quality of life not only our own citizens but of all mankind. But it will require patience and vision on both sides greater than at any time in the past.

Let me return to the global perspective. Our fundamental challenge during the 1980's will be to consolidate and integrate our major alliances—with NATO, with Japan, with ANZUS. This process is well underway in the Pacific, but there is work yet to be done. Our strategic interests in remaining a vital Asian power are more apparent today than ever. But there cannot be a strong American policy in the Pacific if it doesn't begin with a strong US-Japanese relationship.

This fact seems to be appreciated today by the American public, as illustrated by the Potomac Associates poll I cited earlier. Although the poll showed that the American public correctly identified Japan as the major source of threat to American jobs, there was a very significant growth in acceptance of Japan as a major treaty ally, and a country to whom the United States should commit its own national prestige if Japan's security is threatened. Almost 70 percent believe we should come to Japan's defense if attacked, up from only 37 percent six years ago. This suggests to me that the American public is capable of making the sometimes difficult distinction between trading rivals and strategic partners. That distinction is essential if we are to continue to build U.S. Pacific policy around an unbreakable Tokyo-Washington alliance.

Over the next several years we shall be facing an historic opportunity to draw Tokyo into an increasingly active partnership with the United States and Western Europe. Japan's recognition of a broader context for its own security concerns has been marked over the past year, and will increasingly contribute to coordination among the United States, Western Europe and the Pacific allies, particularly Japan.

In doing this, however, we must take care to balance the defense aspect of our alliance with its political and economic dimensions. The issue of sharing the defense burden must be addressed in the broader context of economic, political, and security cooperation among the allies. This will make it possible for Japan to find alternate—perhaps unique—ways to carry its "fair share", without feeling pressured to assume an uncomfortably high military profile. By the same token, it can help reassure Japan's neighbors that the development of more impressive Japanese defense capabilities—or a rising Japanese defense budget—do not foreshadow independent or militaristic policies.

Clearly Japan is moving gradually, and in its own unique way, towards a growing defense budget. They will never move as fast as some Americans want them to. But the trend, it seems to me, is unmistakable. The Japanese, as you all know, tend to do the opposite of what we do with our defense budget. We try to make our budget as big as possible for domestic purposes. The Japanese try to make theirs look as small as possible, in fact smaller than it really is, for domestic purposes. So there is a wide misconception among Americans—even many in the government—about how much the Japanese are already doing.

In this regard, we should also keep our sights on what we want increased defense spending to accomplish, and how the burden can be most equitably and rationally shared. This applies not only to Japan, but to our Western European allies, as well. To the extent that we put all of the emphasis on a single alliance issue—defense spending—we

could create an exaggerated sense of disarray and unnecessarily encourage domestic political resistance among our allies.

Finally, we must take pains to ensure that our consultations with Japan about strategic issues are fully developed. Japan's increasingly active international role will affect our interests and policies; ours will affect theirs. We shall both want to be appropriately involved in each others decisions. For example, we must keep Japan's concerns and views fully in mind as we make decisions about our future security relationship with China. It is a strategic issue relating significantly to our alliances.

This will require above all that the President must personally commit to maintaining the relationship and prevent those people in the Congress or in the domestic agencies who see special reasons to put stress on the relationship from letting that stress destroy it. I do not take it for granted that the lip service which we all pay to US-Japanese relations automatically converts into a growing and improved relationship. It takes real determination and skill at every level of the US Government.

Earlier this week I had breakfast with Saburo Okita, the former Foreign Minister of Japan. We reflected together on the last four years, and we agreed that if it had not been for the full personal commitment of three Prime Ministers and four Foreign Ministers, and for the efforts of President Carter, Vice President Mondale, Secretary Vance, Ambassador Mansfield, Bob Strauss, Henry Owen, Secretary Muskie, and a handful of other people, we might not have gotten through these four years without a major shock or a crisis. But I am proud to be able to say that we did. We have been particularly privileged to have Mike Mansfield as our Ambassador in Tokyo. He's the most extraordinary Ambassador I've ever worked with and his contribution to the strength of US-Japan relationship today exceeds that of anyone.

A firm foundation exists today for the kind of relationship with Japan that will best serve both our interests and the interests of global stability in the 1980's. It is essential that this relationship be understood and preserved.

Let me close with a personal comment addressed to my friends in Japan:

My admiration for your system and your country has grown steadily over the eighteen years since I first set foot in Tokyo. I count among my first friends a few Japanese I have been honored to be received in some of your homes and I have tried—unsuccessfully—to repay in small measure your hospitality. I have tried to speak frankly, as is befitting a dialogue between friends, although I know at times our differing styles may have created misperceptions.

Many Americans have had difficulty understanding your unique style. But for those who make the effort the rewards are great indeed. Not only in terms of better mutual understanding, but for what we can learn from you. I will always be deeply grateful to those Japanese who take the time to teach me about your country and who, finally, taught me to love your country.●

SHARE-A-HOME PROGRAM

● Mr. DURENBERGER. Mr. President, I am privileged once again to share with my colleagues a concept being developed in Minnesota for "helping people help themselves." The program I would like to discuss today involves the concept of "home sharing" between the elderly and young people. Minnesotans take special pride in implementing programs which rely solely on the support of their citizens, local communities, and private foundations rather than the Federal Government. And, this program is particularly noteworthy because it not only offers an innovative solution to the problems of helping the elderly remain independent, but it operates exclusively within the private sector.

Specifically, I refer to an article from the St. Paul Pioneer Press about the share-a-home program operating in the Minneapolis/St. Paul area, which is run through Lutheran Social Service of Minnesota. There are other similar programs throughout my State, but I think this article sums up the basic idea behind all of the programs.

The share-a-home program is designed to help older adults remain in their homes at a time when independent living is increasingly difficult for them. Through the program, these older adults are matched up with young people—college students, young singles, young families—who are in need of housing and/or enjoy a sense of family. For example, you have an older adult wanting to stay in their own home, but unable to meet some of the demands of doing so—rising fuels costs, the physical labor involved in maintaining their home, and so forth. This person could be matched up with a young person wanting to attend college, but unable to meet the financial requirements for housing. The two could help meet each other's needs—the student easing the financial and physical burdens of the older adult and that person easing the financial burden of the student.

Especially in this time of a severe economic period, we must seek out alternatives and remedies to help us maintain the quality of life we, as Americans, have come to enjoy. This quality of life is particularly threatened for those on fixed incomes.

I fully support programs such as share-a-home and am proud that this program and others like it are working so well in Minnesota. I am optimistic that they will continue to be successful and become even more widespread throughout the State. I would encourage my colleagues to endorse and support, even seek out, such programs in their own States.

At this point, Mr. President, I ask that the article be printed in the RECORD.

The article follows:

"SHARE-A-HOME" PROGRAM CAN HELP ELDERLY KEEP THEIRS

(By Don Spavin)

A program designed to help the elderly continue to own and maintain their homes is being instituted by Lutheran Social Service of Minnesota.

Funded by a three-year grant from the McKnight Foundation, the program will seek to match elderly home owners needing help with household chores with younger persons willing to meet these needs in exchange for housing.

"The Share-A-Home program is designed especially to help older adults remain in their homes when independent living becomes difficult," said James J. Raun, executive director of Lutheran Social Service. "In return the program can offer young people a sense of home and family and provide the older person assistance in such tasks as yardwork, household chores and shopping."

A college student or a vocational student from out of the Twin Cities area, it was explained, could under this program find a home away from home and at the same time make it possible for elderly persons to live their lives in their own homes. The program will not be confined to students, but will attempt to match any young person with housing needs with older adults needing live-in help.

"Every attempt will be made to insure a mutually rewarding living arrangement designed to provide and protect the privacy of both parties," Raun said.

The Share-A-Home program will be conducted in both St. Paul and Minneapolis. It has been funded for three years, and a spokesman for Lutheran Social Service said it is hoped that eventually the program will become self-sustaining.

It is not the first time such a program has been tried in the Twin Cities nor is it the only one of its kind in the state. Duluth has an active program, very similar in nature, that has been operating since 1977. It is funded locally by the Duluth Board of Education and the Community Adult Education Organization.

"The program has become very popular in the Duluth area," said Joan Rasmussen, one of the contact workers for the organization. "An example: In August of our first year we had about 90 applications for housing or lodgers. This year the number should be close to 400 applications."

Many older persons in Duluth want to stay in their own homes but are concerned about the rising cost of fuel, Rasmussen said. By taking in a lodger some of the increased cost can be erased and at the same time the elderly person gets companionship. In most cases the roomer pays for room or board and room but often if the roomer agrees to do such chores as mowing or shoveling the walks, the room rent can be reduced.

Matching owner and lodger is the key to a successful program, Rasmussen said, and considerable time is spent in interviewing both persons.

"For instance," she said, "we wouldn't want to put a lodger who smokes into a home where the owner objected to smoking. When a match up is made we have a month probationary period to see that there are no conflicts of personality. In the three years we've been operating we've had only one case where the match ups didn't get along."

Such a program was tried in St. Paul in 1975, funded under a Title III project called "Older Americans." It was administered by the Greater St. Paul Home Services Inc. Sandra Prantschke, now employed on the Lutheran Social Service program, worked for the first such project. When funding ran out, she and a few others attempted to keep it alive on a volunteer basis but by 1977 the program was closed out.

Lutheran Social Service of Minnesota is an agency of the American Lutheran Church, the Lutheran Church in America and the Lutheran Church-Missouri Synod. A spokesman for the group said it is possible that a fee may be charged for the service only as a means of funding it should the grant not be renewed and as a means of extending the service to more people.

"We would not exclude anyone needing the service and being unable to pay a fee," the spokesman said.

Inquiries concerning the program can be made to Share-A-Home, Lutheran Social Service, 2414 Park Ave., Minneapolis, or Lutheran Social Service, 1201 Payne Ave., St. Paul.●

MARGARET HOLLAND

● Mr. BAUCUS. Mr. President, several weeks ago, Margaret Holland retired from Federal service. She has done so af-

ter a career of exemplary devotion. This astonishing record established over 36 years should not pass unnoticed. Very few employees in either the public or private sector can match her performance.

Mr. President, I submit for the RECORD the testimonial made by Judge W. D. Murray on the occasion of Margaret's retirement.

[In the United States District Court for the District of Montana, Butte Division]

IN THE MATTER OF MARGARET M. HOLLAND, RETIREE

Be it remembered that in the Courtroom of the Federal Building, Butte, Montana, commencing at the hour of 2:00 o'clock P.M. on October 31, 1980, a special session was held with the Honorable W. D. Murray presiding.

JUDGE MURRAY. This is indeed an auspicious occasion. The General Services Administration has quite properly seen fit to take notice of Margaret Holland's retirement from service. It is entirely proper that these proceedings should take place in the United States District Court for Margaret has taken care of this courtroom for so many years that she is an officer of the Court. Margaret has been employed at the Federal Building here since 1944. During this time she has faithfully carried out her duties in an exemplary manner and has provided a high level of service to all of us who have been associated with her. Through her loyalty and attention to duty, Margaret has accumulated over 2,700 hours sick leave during this period and has consistently been a dependable and efficient employee. This continued period of high level service to GSA and this Court have been in the highest tradition of the Federal service and deserves a commendation for a job well done, as suggested by the General Services Administration.

Dennis A. Jensen, the Regional Administrator, has directed a letter to Margaret in which he says:

"DEAR MARGARET: On the occasion of your retirement, I am happy to honor you with the attached Certificate of Loyal Service in recognition of the services you have provided to the General Services Administration and the Federal government. The more than 36 years of loyal service is indicative of your dedication and contributions to the effectiveness of the Federal Service.

Let me add my personal expression of thanks with the hope that you may experience satisfying years ahead."

The citation is in a beautiful bound volume which provides that, "Citation is awarded to Margaret M. Holland in recognition of over 30 years of exceptional service to the General Services Administration of the Federal Building, U.S. Courthouse, Butte, Montana," by Dennis A. Jensen, Regional Administrator. Together with the commendation is a check from the General Services Administration to Margaret.

Let me say further that, as I mentioned to start with, it is entirely proper that we have a Court proceeding to say "good-bye" to Margaret. She has served with us for all these years and has made us all happier persons. I think Margaret is really an exemplification of the old story that "good things come in small packages". Many of the times I have left this courtroom in this Courthouse tired and concerned and maybe upset and I have seen Margaret in the hall and she has smiled at me and said some word of encouragement, and it made me happy to have been associated with her. All of us wish you everything good in the world, Margaret.

MARGARET HOLLAND. Thank you, Judge Murray.

JUDGE MURRAY. God bless you.

MARGARET HOLLAND. Thank you for such a beautiful and inspiring speech.

JUDGE MURRAY. God bless you. Court will be in recess.

Done in open court this 31st day of October, 1980.●

DOROTHY DAY

● Mr. MOYNIHAN. Mr. President, last Sunday Dorothy Day died at Maryhouse, the Catholic Worker Settlement House on the Lower East Side of New York. Miss Day, who was 83, lived what must be regarded as an exemplary life, but one not easily imitated in today's society.

To many people, her life and ideals were a puzzle, filled with contradictions. Miss Day had a passionate love for Roman Catholicism, the religion that she accepted as a convert in 1927. But her religious faith, which was of the traditional rather than the intellectual type, led her not to quietism or a smug conservatism, but to a radicalism of the authentic sort. She was a committed pacifist and a philosophical anarchist, a believer in what came to be called "Christian personalism."

In the days before the Second Vatican Council, her combination of Catholicism, pacifism, and anarchism seemed quite an oddity, to some even an impossibility. She was on occasion called a Communist and even worse; but she held her ground, content to do her work and to publish the Catholic Worker, a little monthly that can still be had for a penny a copy.

In more recent times, when many stalwarts of the peace movement have become selective pacifists, picking and choosing which armed "liberation" movements they will support, Miss Day refused to budge. She condemned all violence, she blessed no armed struggles, and she never confused pacifism with passivity in the face of totalitarianism.

For sure, Dorothy Day was no politician, no analyst of the affairs of state. She was much more: She was a witness in the old-fashioned sense of that Christian term. For the better part of her life, she was a thorn in the side of the United States, and of the world, challenging many of the most basic assumptions that underlie our mode of political thought. But the political discomfort that she caused us was the kind that we will always need, the kind that is good for us.

Miss Day's message was embarrassingly simple and direct; she believed that the Sermon on the Mount should be taken literally, without embellishment, and without qualification. She proposed that society should be based on the teachings of Jesus; but her prescription was not just another abstraction. She sought to demonstrate the plausibility of her proposition by living it. As such, she and Peter Maurin, a French peasant who came to our shores, started the Catholic Worker movement in New York in 1933. It is an extraordinary movement that lives on, quietly doing what Catholics call the corporal works of mercy—feeding the hungry, clothing the naked, comforting the lonely, giving shelter to the homeless. There is no greater work than this.

Mr. President, we have lost Dorothy Day, a true saint. Our society is diminished by her passing, yet it will be enriched by what she has given us for so many years. She will be missed.

Mr. President, I ask that Colman McCarthy's article about Miss Day that appeared in today's Washington Post be printed in the RECORD.

The article follows:

A LIFE OF EXQUISITE "FOOLISHNESS"

(By Colman McCarthy)

NEW YORK.—As though the poor and forgotten don't have hard enough times, now they are without Dorothy Day. She died last Saturday in Maryhouse, a Lower East Side shelter that she ran for homeless women. Miss Day had spent most of her 83 years in the simplest but rarest form of humane service: feeding, clothing and housing whoever of the earth's wretched came to her. "We confess to being fools," she said once about herself and her small band of pacifists and personalists, "and we wish we were more so."

For the tens of thousands of anonymous poor who have been comforted by Dorothy Day since she co-founded The Catholic Worker in 1933, the foolishness has been more than adequate. At her wake the other night, street people kneeled before her pine-box coffin and wept in prayers for a woman they had come to believe was a saint. These were the "underprivileged," a term used with mock laughter around here because none of the poor of the Lower East Side remembers when society's privileges were passed out in the first place.

In this Bowery area of Manhattan, the conscience of Dorothy Day has been institutionalized in her Catholic Worker "houses of hospitality." But the establishment of such facilities—not only in New York but in about 40 other cities—was about the only concession she made to organizational mercy. In a half-century's worth of books, columns, speeches and conversations, Dorothy Day argued that the problem of poverty was its being left too much to professional problem-solvers. People with empty bellies get turned into Profound Questions, with poverty brokers on the hunt for Profound Answers. In seminar after seminar and report after report, the poor are given the bum's rush. In the end, as Miss Day said, "there are all too few who will consider themselves servants, who will give up their lives to serve others."

As a religious person who prayed daily—mass and communion, the Psalms, the rosary—Dorothy Day used her faith as a buffer against burnout and despair. Fittingly, it will have to be taken on faith that her life of service made a difference. She issued no progress reports on neighborhood improvement, summoned no task forces on how to achieve greater efficiency on the daily soup line. Nor did she ever run "follow-up studies" on whether the derelicts of the Bowery renounced their drunken and quarrelsome ways. As her favorite saint, Theresa of Lisieux, taught, results don't matter to the prayerful.

On the subject of results, Dorothy Day had a philosophy of divine patience: "We continue feeding our neighbors and clothing and sheltering them, and the more we do it the more we realize that the most important thing is to love. There are several families with us, destitute to an unbelievable extent, and there, too, is nothing to do but love. What I mean is that there is no chance of rehabilitation, no chance, so far as we can see, of changing them; certainly no chance of adjusting them to this abominable world about them, and who wants them adjusted anyway?"

That was from the June 1946 issue of The Catholic Worker newspaper, a monthly that has been a voice of pacifism and justice since

1933. Yesterday, as her body was carried along an impoverished block to a Catholic church for a requiem mass, the local destitution was as unbelievable as ever. The jobless and homeless are so thick in the streets that "Holy Mother City," as Miss Day called it, makes no pretense of even counting them.

It may be just as well. Counters get in the way when there is soup to be made. Even worse, getting too close to the government means a trade-off that Miss Day resisted mightily in both words and action. "The state believes in war," she said, "and as pacifists and philosophical anarchists, we don't."

Because she served the poor for so long and with such tireless intensity, Dorothy Day had a national constituency of remarkable breadth. She was more than merely the conscience of the left. Whether it was a young millionaire named John F. Kennedy who came to see her (in 1943) or one of the starving, she exuded authenticity. It was so well known that Dorothy Day lived among the poor—shared their table, stood in their lines, endured the daily insecurity—that The Catholic Worker became known as the one charity in which the money truly did reach the poor.

"It is a strange vocation to love the destitute and dissolute," Miss Day wrote a few years ago. But it is one that keeps attracting the young who come to The Catholic Worker as a place to brew the soup and clean the toilets, which is also the work of peacemakers. They are against military wars for sure, but their pacifism resists the violence of the economic wars. "We refuse to fight for a materialistic system that cripples so many of its citizens," The Catholic Worker has been saying for half a century.

At the requiem mass, the prayers for the dead were sung joyously. A conviction was shared, just as surely as the Eucharist itself was shared, that here was one of Christ's faithful—one who full-heartedly followed what she called "the strange upside-down teaching of the Gospel." The mourning poor best understood: this life of equisite foolishness made absolute sense.●

VIOLENCE IN EL SALVADOR

● Mr. DURENBERGER. Mr. President, since the coup in October 1979, I have watched with growing apprehension and helplessness the senseless violence that occurs daily in El Salvador. For more than a year, organized groups of terrorists, from the right and the left, have sought to bring El Salvador to its knees and to impose their own view of society on others through the use of calculated butchery. The murders of five leftist leaders of the Revolutionary Democratic Front this past week, and the subsequent bombing of the cathedral where they lay in state, is only the latest example of the politics of terror.

In this instance, the victims were prominent Salvadorans. But the majority of those victimized by abduction, torture, and murder are people whose obituaries will never be front-page news in Washington, Mexico City, or any Latin American capital. Peasants and students, labor leaders and businessmen, clergy and police officers, hospital patients and physicians, rich and poor have been murdered, maimed, arrested or have simply disappeared by the thousands.

In the past year, more than 9,000 Salvadorans have been the victims of political violence. As a proportion of El Salvador's population, this figure is even more shocking. Were the United States to suffer such violence at a comparable rate, nearly 400,000 Americans would be victims each year.

The intention of those who perpetrate such terror is clear. They seek not merely to eliminate each other, but also to cripple the entire nation and to transform the nature of Salvadoran politics. It is not only the members of rightist paramilitary groups or leftist guerrilla organizations who are victimized by bombings, shootouts, and assassinations. Those who merely wish to put their faith in the current government, to give it time to accomplish change, and to live in peace are daily added to the rolls of the dead. Whether they are the incidental victims of violence on crowded streets or the deliberate targets of those who seek to foster anarchy, the outcome is the same.

The essence of political terror is its very arbitrariness: by putting all people in harm's way, terrorists seek to corrupt the fabric of society, to weaken the government, and to pave the way for a revolt by the few against the many.

All who care about El Salvador are concerned about the eventual outcome of this violence. They must ask whether repeated viciousness will not force El Salvador to the brink of economic bankruptcy and political collapse. Indeed, the recent destruction of coffee stocks seems aimed at just such a goal. With the harvest season now beginning, rural workers are being forced to choose between work and death at the hands of terrorists, and crops are being destroyed before they can be shipped abroad. Should this continue, there will be no foreign exchange, and the government will be unable to purchase the imports which are necessary to El Salvador's people.

Such a situation can ultimately result only in widespread suffering, and it may well prompt either a military coup d'etat or an armed insurrection in which still more people will die. Yet those who author a program of anarchy catalyzed by murder are far less concerned with the people's welfare than with achieving their own narrow political aims. Ironically, neither the extreme right nor the extreme left appears to recognize that their tactics may backfire. Political violence is characterized by a mad momentum of action and reaction, and one side's enemies become the other side's martyrs. Under such circumstances, there is no guarantee that violence will not strengthen rather than weaken the opposition.

The only certainty as the situation continues is that there will be no winners and many losers. Those on the left must realize that social problems which have accumulated over generations simply cannot be solved overnight. It is beyond question that something must be done to provide a measure of simple decency to the poor in El Salvador.

Far too many human resources are wasted, far too many people live lifes of misery. But the current government has made significant progress in recognizing and addressing these problems, and more can be done by our own country to provide long-term development assistance. Continued violence, however, will result only in senseless brutality while the entire nation continues to suffer rather than to change.

Those on the right must realize that change is both inevitable and irreversible, and that no responsible government will overlook the necessity to provide for the common welfare of the nation. They should not look to the United States to take sides in a struggle between extremists, each bent on a form of repression. They should not expect the American people to surrender our belief in the dignity of the individual rather than the state.

While critics have justly noted that the Carter foreign policy often emphasized human rights more as a political tool than as a constant diplomatic principle, no one has suggested that Americans, whose country was founded in celebration of the common man, will condone terrorism.

A Reagan foreign policy will be an American foreign policy, and it will be based on the continuing American commitment to individuals rather than entities, to democracy rather to authoritarianism.

The funeral of the leftist leaders is to be held today. We all remember with horror the attack that occurred during Archbishop Romero's funeral last spring. Let us hope that this will not be repeated and that the hotheads and professional agitators will call a moratorium on murder. To respond to these deaths with more deaths will be senseless and irresponsible. It is time for the terror to stop.●

THE CHARLES M. RUSSELL WILDLIFE REFUGE

● Mr. BAUCUS. Mr. President, the Charles M. Russell Wildlife Refuge is made up of 1.1 million acres of land on the Missouri River in Montana. As part of the process of developing a management plan for the refuge, the U.S. Fish and Wildlife Service has recently published a draft environmental impact statement which examines various alternatives for the management of this Federal land holding.

In addition to service as a wildlife sanctuary, the CMR, as it is known in Montana, also plays an important role in the local economy by providing some 60,000 animal-unit months of grazing annually. Careful land management of the CMR is, as a result, important to Montanans for a variety of reasons.

After reviewing the alternatives presented by the DEIS and the many public comments which have been shared with me, I submitted testimony on this matter to the U.S. Fish and Wildlife Service as well as to the Secretary of the Interior. Because of the significance of balanced management of the CMR for Montanans and, particularly, the residents of the six counties which surround it, I ask that my statement appear in the RECORD.

STATEMENT BY SENATOR MAX BAUCUS

The Charles M. Russell Wildlife Refuge (CMR) represents one of the most valuable federal land holdings in the Western United States. Stretching from the Fred Robinson Bridge in the west down the Missouri River to the Fort Peck Dam in the east, the CMR is imposing.

The scenery and wildlife are diverse. Elk, pronghorn antelope and mule deer roam the bottom lands, river breaks and sagebrush grasslands. Historically, use of the Refuge has been as varied as the topography. Grazing and commercial farming exist together with boating, hunting, fishing and touring.

Under the unified management authority granted the U.S. Fish and Wildlife Service by P.L. 94-223, the goals for the CMR which have evolved from this diversity should continue to be recognized. The management philosophy must recognize the important interplay between the Refuge, its private, state, and federal neighbors and those with permits to graze their cattle on the Refuge.

The U.S. Fish and Wildlife Service is to be commended for trying to meet its sundry management objectives for the CMR in the Draft Environmental Impact Statement (DEIS) for the management of the Wildlife Refuge which was released earlier this year. The analysis of the current status of the Refuge and the resulting management proposal are significant in the 44 year history of the CMR.

I have just completed my review of the Draft Environmental Impact Statement. My review was supplemented with public comments on the DEIS shared with me by the many Montanans concerned for the future management of the CMR. My primary concern upon completing my study of this Draft Environmental Impact Statement is for treatment given domestic livestock grazing. For decades, the propriety of grazing on the CMR has been consistently recognized. Because of the integral role that agriculture plays in the economy of the region surrounding the Wildlife Refuge, the issue of grazing deserves close scrutiny. Thus, before a final management plan is adopted, I am urging the Fish and Wildlife Service to examine further any alternatives for improving wildlife habitat other than the suggested 33 percent cut in animal unit months (AUM) on grazing allotments.

The DEIS recognizes that the Refuge is predominantly in good condition in terms of range vegetation. Only a small percentage (7 percent) of the CMR is in just fair condition as a result of livestock grazing. The portion of the Range in poor condition is due to prairie dog towns or natural flood plains. Thus, under these circumstances, the utilization of other wildlife habitat improvement techniques should be emphasized before turning to reductions in livestock grazing.

With the continued economic viability of area ranches at stake, the onus is on the Fish and Wildlife Service to exhaust all possible methods of improving range conditions before suggesting the foreclosure of livestock grazing.

As part of this more intensive study, the importance of on-the-ground consultations with ranchers and other land managers must be stressed. While the Fish and Wildlife Service has conducted public hearings and on-site inspections on the CMR, the magnitude of the decision being made warrants further consideration of the management alternatives as they affect agriculture. Those individuals whose livelihoods are directly affected by this management plan may well be able to suggest innovative rangeland and wildlife habitat enhancement methods.

Specifically, the economic impact of this proposed management system deserves greater attention. While the DEIS notes that, on a regional basis, the loss of income is insignificant, common sense argues that the loss of 20,000 AUM's will have real and disastrous consequences for those stockgrowers who are primarily affected. Such an abrupt departure from longstanding management practices must not be entered into lightly.

The additional study I am requesting does not deny the primary focus of the CMR as a wildlife refuge. By virtue of the designation of the area as a refuge, the mission of the Fish and Wildlife Service to protect wildlife habitat is apparent. However, my contention is that livestock grazing is a compatible use for the Refuge. Special protection for riparian regions, soil ripping, controlled burns, cooperative management efforts with area ranchers, and other novel management practices can, in my mind, result in the continuation of grazing at near present levels without serious damage to wildlife habitat.

For their part, area ranchers have long recognized that the protection of the range quality and habitat of the CMR is critical for the long-term success of their operations. Through more intensive consultations, the Fish and Wildlife Service can underscore the necessity for sound and cooperative management practices to ensure the retention of individual allotments on the CMR.

In summary, I recommend the following modifications be made in the management plan for the Charles M. Russell Wildlife Refuge:

1. Alternative methods for the enhancement of wildlife habitat and rangelands should be explored more fully rather than relying upon cutbacks in AUM's.

2. Increased consultation and cooperation with adjacent property owners and area residents should be emphasized in formulating a management plan for the CMR.

3. The management plan should provide flexibility in implementing any management plan to avoid sudden economic dislocation for grazing permitees.

4. The DEIS should be supplemented to more specifically identify the economic impacts of livestock grazing cuts on the surrounding region.

In conclusion, I am convinced that habitat for wildlife can be significantly enhanced without the unfortunate consequences for the area that would result from grazing cutbacks amounting to 33 percent. I stand ready to lend whatever legislative assistance may be necessary to accomplish this end.●

THE HOMEOWNERSHIP PROGRAM

● Mr. STEWART. Mr. President, I want to take this opportunity to call to the attention of the Senate the outstanding service performed by the distinguished chairman of the Senate Housing and Urban Affairs Subcommittee (Mr. WILLIAMS), in offering legislation to secure additional funds for the section 235 homeownership assistance program. Because of Senator WILLIAMS' leadership and perseverance in making certain that the Congress understood the emergency that has arisen because funds for this program have been depleted, the HUD-independent agencies appropriations conference committee has taken the unusual step of adding new contract authority to restart the program. This new contract authority will be sufficient to assist from 15,000 to 20,000 additional units of section 235 housing.

Mr. President, the section 235 homeownership program is especially important to my home State of Alabama. In fact, in a number of areas if it were not for the section 235 program, homebuilders would have closed their businesses, and the level of new housing construction would have dropped to near zero.

Last September, when it began to appear that the program would use up all its funds a year or more ahead of schedule, Senator WILLIAMS responded immediately with legislation to continue the program. This measure served as the focal point for those concerned that Congress properly understood the critical situation that was developing, and led to the favorable action by the conference committee. As chairman of the Housing Subcommittee, Senator WILLIAMS has consistently demonstrated a keen awareness of the needs of our housing markets, and a deep concern for the construction workers, builders, and homebuyers so dependent on the health and stability of those markets. He has labored throughout his service as subcommittee chairman to assure passage of legislation to improve housing opportunities for the Nation's renters and homebuyers, and I feel that we owe the distinguished Senator our recognition and our gratitude for his dedication.●

PROPOSED REVENUE RULING ON THE FORMATION OF ONE BANK HOLDING COMPANIES

● Mr. TOWER. Mr. President, I call the urgent attention of the Congress to an emerging Treasury Department revenue ruling which would adversely affect completed and future transactions involving the formation of bank holding companies. Specifically, I refer to a proposed revenue ruling, originally scheduled for issue in final form on December 1, 1980, designed to thwart the formation of so-called "one bank holding companies." The Service's position takes an altogether new direction in tax policy, inconsistent with the rules of other Federal banking regulatory authorities, by application of theories of taxation in blatant disregard of the Internal Revenue Code of 1954, previously issued revenue rulings, numerous private letter rulings and clearly established principles of tax law.

THE RULING

The proposed ruling contemplates this fact situation: An existing bank purchased with funds borrowed from a third party—acquisition indebtedness—creates a new corporation—holding company—in order to expand its banking business. The bank's original owners transfer their bank stock to holding company in exchange for all of holding company's stock and the assumption by holding company of the acquisition indebtedness. Subsequently, over a number of years, holding company will repay the loan to the third party lender with dividends from bank or other earnings from the holding company.

The question is whether the transfer of the stock of the bank, encumbered by the acquisition indebtedness, is a tax-free transfer to a corporation under section 351 of the Code, a redemption through the use of related corporations under section 304, or a transaction re-

lating to direct dividends under section 301. The ruling would conclude that a section 301 transfer obtains, that is, that the transfer of "old" acquisition indebtedness to the newly formed one bank holding company is the moral equivalent of a taxable dividend to the transferor.

The clear language of the Code, the unaltered body of case law, and numerous pertinent revenue rulings, however, simply preclude such a "constructive dividend" result. In fact, sections 351 and 357 are traceable to the 1939 Internal Revenue Code and were enacted in rejection of the Service's current theory. In a nutshell, these Code provisions are designed to insure the tax-free incorporation of businesses, even where the newly formed "holding company" assumes the debt of incorporating businesses.

ENCOURAGEMENT OF ONE BANK HOLDING COMPANY FORMATIONS

Mr. President, the Federal Reserve Board in December 1979, recognized the increasing need for financing bank ownership through holding companies when it substantially eased the requirements for leveraging the ownership of financial institutions. The Federal Reserve Board has processed over 1,700 one bank holding company applications since 1975, mostly for smaller banks. Reports of the Federal Reserve estimate that 90 percent of these applications involve the transfer of "acquisition indebtedness" to the holding company. Search by Lexis of the private letter rulings issued during this period indicates that less than 100 of these transactions have been protected by private rulings. Therefore, 1,200 to 1,500 of these transactions, occurring across the country, would be at risk should the IRS be allowed to issue this ruling.

The Federal Reserve Board believes that the leveraged bank holding company, when properly regulated, provides a source of strength to the banking system as a whole and to depositors specifically. The transactions of the IRS have undoubtedly placed at least one-half of these banks, their directors, and untold numbers of shareholders and depositors in a perplexing, "Catch-22" situation. This ruling, accordingly, would represent an unanticipated departure from the Federal Reserve Board's policy of preserving our present system of financial institution ownership.

REVENUE RULING LEGALLY ERRONEOUS

Expert legal opinion observes that the proposed revenue ruling is wrong as a matter of law, relying on ample precedent. There has never been any hint by the IRS or Treasury of this new position. Further, it is completely at variance with previous IRS litigating positions and to prior revenue rulings—see attached technical memorandum for detailed discussion.

The incorporation of property or of a going business generally qualifies as a tax-free transaction under section 351. By section 357, this is true even where the corporation assumes or acquires property subject to liabilities. Further, such tax-free treatment has been the unequivocal rule under our tax laws dating back to the Revenue Act of 1921, its announced purpose being to facilitate business readjustments.

In recommending the enactment of section 351's predecessor in 1921, the Senate Finance Committee pointed out that exchanges of property were ordinarily taxable:

> Probably no part of the present income tax law has been productive of so much uncertainty or has more seriously interfered with necessary business readjustments. The existing law makes a presumption in favor of taxation. The proposed act . . . specifies . . . certain classes of exchanges on which no gain or loss is recognized even if the property received in exchange has a readily realizable market value.
>
> (The predecessor of sections 351), if adopted, will, by removing a source of grave uncertainty and by eliminating many technical constructions which are economically unsound, not only permit business to go forward with the readjustments required by existing conditions but also considerably increase the revenue by preventing taxpayers from taking colorable losses in wash sales and other fictitious exchanges.

The basic premise of section 351 is that a transfer of appreciated or depreciated property to a corporation controlled by the transferor works a change of form only, which should not be an occasion for reckoning up the transferor's gain or loss on the transferred property. In *Portland Oil Co.* v. *CIR*, 109 F. 2d 479, 488 (1st Cir.), cert. denied, 310 U.S. 650 (1940), the court said:

> It is the recognized purpose of (section 351) to save the taxpayer from an immediate recognition of a gain, or to intermit the claim of a loss, in certain transactions where gain or loss may have accrued in a constitutional sense, but where in a popular and economic sense there has been a mere change in the form of ownership and the taxpayer has not really cashed in on the theoretical gain, or closed out a losing venture.

Assuming a bona fide business purpose to the transaction, section 357 provides that the transferee corporation's—such as a one bank holding company's—assumption of liability shall not be treated as money or other property; nor does it prevent the exchange from qualifying under section 351.

The IRS's position in the proposed revenue ruling, however, attempts to "legislate away" sections 351 and 357 by totally ignoring statutory provisions which would yield a conclusion inconsistent with the IRS's desired result. The IRS would be substantially relying on pre-1921 case law, even though in corporate tax matters the courts themselves have refused to extend antiquated concepts which have been superseded by subsequently enacted Code provisions.

Again, numerous precedents under case law, previous revenue rulings and private letter rulings maintain that no constructive dividends result to the shareholders upon a holding company's assumption of indebtedness. For the service now to hold otherwise is a radical reversal of 26 years of experience under the 1954 Code, which governs today's tax law. Simply put, the proposed revenue ruling is little more than a "conclusion in search of a rationale," wholly lacking in statutory authority.

NO COORDINATION WITH OTHER FEDERAL BANKING REGULATORY AGENCIES

Particularly troubling is the apparent lack of any serious effort by the IRS to consider prior to issuance the impact of the proposed ruling on the Nation's smaller banks. While the IRS is in the process of characterizing the debt assumption as a dividend, the Federal banking regulatory authorities would never permit such a large dividend, as it would impair bank capital, jeopardizing particularly the capital adequacy of many independent banks.

The proposed revenue ruling suggests a misunderstanding by the IRS of the regulatory environment in which banks must operate and compete according to rules set by the Federal regulatory bodies which oversee them.

Much closer coordination and review by bank regulators—particularly the Federal Reserve Board—should be a vital ingredient of the ruling process in this instance.

Yet implementation of the proposed ruling could frustrate effective administration of the Bank Holding Act by the Federal Reserve Board, unnecessarily restrict the transferability of bank ownership, potentially impair bank's capital formation, and tend to result in a concentration of banking resources.

In addition, a substantial number of banks currently maintain portfolios of bank stock loans to holding companies and shareholders to which the proposed ruling would apply. These shareholders' ability to repay would consequently be impaired, leading to a significant deterioration in the quality of loan portfolios which contain this type of credit, as well as an erosion of the longstanding public policy designed to promote financial stability and competitiveness in the banking industry.

For years the Federal Reserve Board and other agencies have encouraged the holding company concept to allow bank investors, particularly those in smaller banks, to maintain their ownership in our banking system and to avoid the distant ownership and concentration of banking assets in the hands of large multibank holding companies. Last December the Federal Reserve Board substantially relaxed the requirements for leveraging the ownership of financial institutions with this purpose in mind. Yet, the IRS is now threatening to undermine these sound policies of Federal bank regulatory agencies by the proposed ruling.

EQUITY DEMANDS WITHDRAWAL OF PROPOSED REVENUE RULING

Probably the most disturbing and least justifiable element of the proposed revenue ruling is the intention of the Internal Revenue Service, after years issuing assurances to taxpayers that their transactions would not be taxable, to apply the proposed revenue ruling retroactively. Thus, instead of the assured tax-free treatment, these individuals will receive a deemed dividend, rendering the whole transaction in the first instance imprudent and economically unfeasible.

Such taxpayers have clearly relied to their detriment on IRS pronouncements

as an established interpretation of law and are at least deserving of equitable relief under section 7805(b) of the Code, which permits Treasury rules and regulations to be prospective only. To do otherwise would necesitate revision of several existing revenue rulings, would be wholly inequitable and lacking of due process, and would totally frustrate the planning of such commercial transactions by making future dividends from the operating company impossible. Taxpayers who relied upon private rulings at their peril face foreclosure by third-party lenders to the detriment of a growing segment of the national banking community.

CONCLUSION

Mr. President, the proposed revenue ruling should be withdrawn. It is clearly contrary to the great weight of statutory and judicial authority rendered for over half a century. It is violative of the policies fostered by the Federal banking regulatory agencies in order to encourage the formation of holding companies so smaller banks may compete in the banking industry more effectively. Finally, the proposed ruling is devoid of any consideration of equity by the IRS on behalf of one bank holding companies, which have relied to their detriment on previously rendered IRS pronouncements. At the very least, the ruling should be applied only prospectively.

Mr. President, the foregoing statement outlines broadly why transactions of this type should be treated as a tax-free, section 351 transfer. A technical memorandum describing in more detail the legal, administrative, and equitable rationale for tax-free treatment has been prepared by Peat, Marwick, Mitchell & Co. to request reconsideration of the proposal by the Treasury Department. I ask that the memorandum be printed in the RECORD.

The memorandum follows:

PEAT, MARWICK, MITCHELL & CO.,
Washington, D.C., November 26, 1980.

JOHN M. SAMUELS,
Treasury Department,
Washington, D.C.

DEAR MR. SAMUELS: On November 19, 1980, a meeting was held in your office attended by representatives of the banking community, interested accountants and attorneys, the Chief Counsel of the Internal Revenue Service and a number of Treasury and IRS representatives. Taxpayers requested the meeting to discuss a proposed revenue ruling to be issued by the IRS which would adversely impact completed and future transactions involving the formation of bank holding companies. Pursuant to our discussions and at your invitation, this letter is being written in protest of the proposed revenue ruling.

We understand the facts of the proposed revenue ruling to be as follows. A bank was purchased a number of years ago by a group of individuals with funds borrowed from a third party bank ("acquisition indebtedness"). In order to expand its banking business a new corporation was created (hereinafter referred to as "Newco" or "Holding Company") and the individuals transferred the bank stock to Newco in exchange for all of the Newco stock and the assumption by Newco of the acquisition indebtedness. Subsequently, over a number of years, Holding Company will repay the loan to third party bank with dividends from bank or other earnings from the Holding Company. The ruling concludes that the shareholders receive a dividend as a result of the acquisition indebtedness assumed by Newco. The amount of the dividend is measured by the earnings and profits of bank. The purported theory for this conclusion is that section 304 of the Internal Revenue Code applies to the transaction and the earnings and profits of both the bank and the Holding Company are used to compute the dividend. An alternate theory is that the Holding Company assumption of the liability is tantamount to a cash distribution from bank under a theory of agency.

It is believed that the proposed revenue ruling is wrong as as matter of law. However, if it is to be published, section 7805(b) should be applied so that the effect of the ruling will not be retroactive. Whatever perceived abuse the IRS believes is presented by the above fact pattern, this ruling would be an abrupt departure from IRS past positions. There has never been any hint by IRS or Treasury of this new position. Further, it is contrary both to previous IRS litigating positions and to prior revenue rulings. Over the years, countless taxpayers have relied on these past IRS positions as an established interpretation of law. Thus, these taxpayers should be entitled to the equitable relief proscribed in section 7805(b).

I. RULING IS ERRONEOUS UNDER SECTION 304 USING THE COMBINED EARNINGS AND PROFITS CONCEPT

While the IRS had previously espoused the position that section 304(a)(1) applies to the creation of a Holding Company and the assumption of acquisition indebtedness, the most recent position has been that section 304(a)(1) is inapplicable where the acquiring corporation is a Newco. Certainly, IRS has the prerogative to change its mind as to the applicability of section 304. However, the measurement of the dividend by reference to the earnings and profits of the acquired corporation (bank) in addition to the earnings and profits of the acquiring corporation (Holding Company) is in clear violation of the law. Section 304(b)(2)(A) provides in unmistakable language that, "In the case of any acquisition of stock to which section 304(a)(1) applies, the determination of the amount which is a dividend shall be made *solely* by reference to the earnings and profits of the acquiring corporation." (Emphasis added) It is hard to imagine a clearer and more unambiguous reference to which corporation's earnings and profits shall be used. One has only to look at the "solely for voting stock" requirement in a "B" Type reorganization to see the tenacity with which the IRS and the courts have consistently maintained that "solely" means "absolutely" and "leaves no leeway." See *Helvering* v. *Southwest Consolidated Corp.*, 315 U.S. 194 (1942); *C.E. Graham Reeves*, 71 T.C. 727, *revd; John Pierson*, 79-2 USTC 9432 (D.C. Del.), *rev'd; Arden S. Heverly*, 80-1 USTC 9322 (3rd Cir.); *Eldon S. Chapman*, 80-1 USTC 9330 (1st Cir.). In an existing parent-subsidiary relationship, where shareholders of bank would sell (including transfer for an assumption of liability) bank stock to a 50 percent owned subsidiary of bank, it would be appropriate to measure any dividend by reference to bank, as well as subsidiary, earnings and profits. See section 304(b)(2)(B) and Rev. Rul. 80-189, I.R.B. 1980-29, 7. However, these are clearly not the facts in the proposed ruling.

Apparently, the IRS is attempting to argue that the ability to use the combined earnings and profits concept has already gained judicial support in another area of Subchapter C notwithstanding the language of the Code. Under section 356(a)(2), which measures a dividend received in a corporate reorganization, the language provides that there shall be a "dividend to each distributee . . . as is not in excess of his ratable share of the undistributed earnings and profits of the *corporation*." (Emphasis added). In *Davant* v. *Commissioner*, 66-2 USTC 9618 (5th Cir.), the court held that in a reorganization under sections 368(a)(1)(D)-354(b), the combined earnings and profits of the acquired or acquiring corporation could be used to measure the dividend. The analogy of earnings and profits under section 356(a)(2) to earnings and profits under section 304(a)(1) is misplaced for the following reasons. First, the language in section 304(b)(2)(A) is clear and concise, "solely by reference to the earnings and profits of the acquiring corporation." Section 356(a)(2) is ambiguous. It speaks of the "undistributed earnings and profits of the corporation" leaving open to interpretation which corporation, the acquired or the acquiring, is referred to. While it has generally been concluded that "corporation" refers to acquired corporation, the language of the Code is less than clear. A second reason is that both the acquired and acquiring corporation in *Davant* were operating corporations with their own earnings and profits and, more importantly, the distribution that ended up in the shareholder's hands came both from the acquired and acquiring corporations. Thus, there is logic and equity in using both corporations' earnings and profits since both corporations were making a distribution. In the section 304(a)(1) case, there is no distribution coming from the acquired corporation. Finally, notwithstanding *Davant* and the IRS position in Rev. Rul. 70-240, 1970-1 C.B. 81, the combined earnings and profits concept has been in recent disfavor with its rejection in *American Manufacturing Co.*, 55 T.C. 204 (1970), *Estate of John L. Bell*, T.C. Memo 1971-285, *Paul A. Altenpohl*, T.C. Memo 1977-342, and *Atlas Tool Co.*, 70 T.C. 86 (1978), *aff'd*, 3rd Cir.

As a matter of routine, the courts after finding a dividend under section 301 by reason of section 304(a)(1), have always cited the Code and found that the measure of the dividend was limited to the earnings and profits of the acquiring corporation. Moreover, the IRS has never argued to the contrary. See *Samuel Radnitz*, 61-2 USTC 9672 (2nd Cir.); *George L. Coyle*, 68-1 USTC 9418 (4th Cir.); *Bernard Niedermeyer*, 62 T.C. 280 (1974), *aff'd per curiam*, 76-1 USTC 9417 (9th Cir.); *Allan S. Vinnell*, 52 T.C. 934 (1969). In *Fehrs Finance Company*, 58 T.C. 174 (1972), *aff'd*, 73-2 USTC 9767 (8th Cir), the measure of the section 304(a)(1) dividend was specifically limited to the earnings and profits of the acquiring corporation. More relevant to the issue at hand was the fact that acquiring corporation was a Newco and the earnings and profits of Newco were zero.

The IRS revenue rulings have been equally consistent. After finding dividend treatment under section 304(a)(1)-301, it was explicitly pointed out that the dividend was limited to the earnings and profits of the acquiring corporation. See Rev. Rul. 73-2, 1973-1 C.B. 171; Rev. Rul. 78-422, 1978-2 C.B. 129; Rev. Rul. 71-563, 1971-2 C.B. 175; and Rev. Rul. 70-496, 1970-2 C.B. 74. In the latter ruling, the measurement of earnings and profits was not superfluous. After finding insufficient earnings and profits in the acquiring corporation, the main thrust of the ruling was whether or not section 301(c)(2)—(recovery of basis) or section 301(c)(3)—(capital gain) was the next Code section to consider. The entire exercise would have been meaningless if the acquired corporation's earnings and profits could also have been used.

Rev. Rul. 72-569, 1972-2 C.B. 203 presents an illuminating commentary on the issue of the measure of earnings and profits under section 304(a)(1). Individual A owned almost

all of the stock of X and Y corporations. Prior to A selling the Y stock to X, X and unrelated S corporation consolidated to form T corporation, controlled by A. A then sold Y to T for cash. Section 304(a)(1) clearly applied and the entire focus of the ruling was whose earnings and profits were to be used to measure the dividend. The ruling concluded that T's earnings and profits included the earnings and profits of X and S but not the earnings and profits of Y, the acquired corporation.

It thus appears that the clear language of the Code, the unaltered body of case law, and numerous pertinent revenue rulings preclude the IRS from sustaining the position that the bank's earnings and profits should be attributable to Holding Company under a section 304 analysis. Any analogy to section 356(a)(2) is inappropriate for the reasons stated above. Existing law supports using only Newco's earnings and profits with the one option being to defer the computation of those earnings and profits until the individual shareholders are released from secondary liability on the acquisition indebtedness. See Ray Maher, 72-2 USTC 9728 (8th Cir.) and Rev. Rul. 77-360, 1977-2 C.B. 86.

The Report of the Subchapter C Advisory Group To The Subcommittee On Internal Revenue Taxation, December 11, 1958, addressed this problem in the following manner:

"Under the amendment proposed in subsection (b)(2) of section 5, in the brother-sister case, the determination of the amount which is a dividend would be made as if the property were distributed by the issuing corporation to the acquiring corporation and immediately thereafter distributed by the acquiring corporation. In most transactions involving redemptions of stock by a brother or a sister corporation, the acquiring corporation will become a substantial stockholder of the issuing corporation—if not its actual parent corporation. This rule will have general application and also will take care of a particular situation brought to the attention of the advisory group. Assume, for example, that individual A owning all the stock of the X corporation creates the Y corporation. Y corporation then borrows money from outside sources to purchase all the stock of the X corporation from individual A. If the X corporation is then liquidated into the Y corporation and its assets used to pay off the loan, such a transaction may be treated generally as a reorganization accompanied by a distribution of boot. However, if the X corporation is not liquidated, but merely pays out dividends to the Y corporation to satisfy the loan payments, the transaction would appear to be beyond the scope of the literal language of section 304. Under the existing statute, the attack on the transaction could only be by use of rules developed judicially to combat tax avoidance."

The extract indicates that the IRS has been aware for 22 years that in order to use the earnings and profits of both corporations under section 304(a)(1), legislation would probably be required.

II. RULING IS ERRONEOUS UNDER A THEORY THAT DISREGARDS NEWCO AS A MERE AGENT OR OTHERWISE TREATS THE DISTRIBUTION AS COMING FROM BANK

Apparently under a dual or alternative theory of taxation, the proposed revenue ruling would conclude that the assumption of the acquisition indebtedness by Newco is equivalent to the receipt of a cash distribution by bank to the individual shareholders. The assumed rationale would be that since Holding Company in the future will discharge the indebtedness by the receipt of intercompany dividends from the bank, the steps of the transaction should be reversed and the dividend should be deemed issued while the individual shareholders own bank. The effect of this theory, like the previous one, is to tap the earnings and profits of bank.

While the IRS theory under section 304 was an attempt to present a statutory argument, the above agency theory is more amorphous and does not lend itself to defined metes and bounds. Rather, it attempts to invoke the doctrines of substance over form and step transaction which mean different things to different people. It is understood that in this connection the court cases cited in Rev. Rul. 80-239 (9/8/80) would provide the support for this theory.

In Rev. Rul. 80-239, an individual (I) owned all the stock of a manufacturing company (X). I transferred X to Newco in exchange for all the stock of Newco and $100,000 that Newco borrowed from a third party. After the exchange, X (now a subsidiary of Newco) declared a dividend and the loan was paid off. The ruling concluded that I received a cash dividend from X prior to I transferring X stock to Newco. The following six citations appear in Rev. Rul. 80-239: *Waterman Steamship Corp.* v. *Commissioner*, 70-2 USTC 9514 (5th Cir.); Regulations Section 1.351-2(d); Regulations Section 1.301-1(1); *Gold* v. *Commissioner*, T.C. Memo 1958-2; *Minnesota Tea* v. *Helvering*, 302 U.S. 609 (1938); and *Higgins* v. *Smith*, 308 U.S. 473 (1970).

All six citations stand for the proposition that "things aren't always what they appear to be" and that the substance of a transaction controls over its form. While this may be true in Rev. Rul. 80-239 where a loan was created and discharged as part of the same transaction and where Newco was a conduit for the movement of cash, it is hardly true in the proposed revenue ruling. In the proposed ruling, the creation of the liability is "old and cold," the assumption of the liability by Newco is a substantive step that survives the transaction, such liability is being discharged in the future in the normal course of events by dividends from bank or other subsidiaries of Newco, the ability of the bank to declare any dividend is substantially limited by Federal Reserve Board Rules, and the recast of the transaction (assumption of the liability by bank) is illegal under Federal law.[1]

A. Precedents cited do not support the proposed revenue ruling

Waterman Steamship Corp., *Minnesota Tea*, and *Higgins* v. *Smith*, are classic substance versus form cases but have no connection to sections 351, 304, or holding company formations. Regulations Section 1.301-1(1), the anti-*Bazely*, 311 U.S. 737 (1947), rule, speaks to a functionally unrelated dividend as part of a recapitalization or "F" Type reorganization.

Regulations Section 1.351-2(d) suggests that a dividend can take place as part of a section 351 exchange. The only application of this principle appears to be Rev. Rul. 76-454, 1976-2 C.B. 102, where a parent and a subsidiary were transferors to a Newco under section 351 and parent received back stock in excess of the value of its contribution. While Rev. Rul. 80-239 may conceivably be justified on the basis of Regulations Section 1.351-2(d), the proposed revenue ruling cannot. If Regulations Section 1.351-2(d) is applicable to the proposed revenue ruling then it can be applied to exclude section 351 in every transaction where the property transferred is stock and either liabilities are assumed under section 357 or boot is issued by the transferee under section 351(b). Congress has never expressed such an intention and such an intention is belied by Rev. Rul. 76-123, 1976-1 C.B. 94, where sections 351 (a) and (b) were held applicable on the transfer of stock to a Newco in exchange for stock and cash. Also, see Rev. Rul. 75-143, 1975-1 C.B. 275 where sections 351 (a) and (b) would have been applicable on the transfer of stock to a controlled corporation in exchange for stock and cash except section 1248(a) converted the otherwise capital gain to a dividend.

Finally, *Gold* v. *Commissioner*, which is cited in Rev. Rul. 80-239, is apparently being used to justify the proposed revenue ruling. *Gold* has superficial appeal since in that case the sale of stock by a 100 percent shareholder to a Newco was held to constitute a dividend rather than capital gain. However, the appeal fades on analysis for the following reasons. One: The *Gold* case was decided under the 1939 Code and pre-dates section 304. Without judicial imput as to the potential applicability of section 351 or section 304, it is hard to appreciate the continuing relevancy of the case. The decision appears to be an attempt to invoke the substance versus form doctrine prior to the enactment of section 304. Cf. *John Rodman Wanamaker, Trustee*, 11 T.C. 365 (1948), *aff'd*, (3rd Cir.). Moreover, the courts in Subchapter C matters have refused to extend 1939 case concepts to newly enacted 1954 Code provisions. See *Chrome Plate* v. *Commissioner*, 80-1 USTC 9332 (5th Cir.) and *International State Bank*, 70 T.C. 173 (1978) rejecting the *Kimbell-Diamond Milling* doctrine. Two: After Newco received all of the stock in *Gold*, the corporation was completely liquidated into Newco. Thus, in the year of the transaction, all the earnings and profits of the predecessor corporation were reincorporated in Newco.

In *Gold*, the transaction was a mere "F" Type reorganization. See Rev. Rul. 75-139, 1975-1 C.B. 168. Third: Notwithstanding the logic of disregarding Newco when the acquired corporation is completely liquidated into Newco and distinguishing such a case from the proposed revenue ruling, the concept advanced in *Gold* has not been followed. Even the immediate liquidation of the acquired corporation still results in the recognition of a stock acquisition by the acquiring corporation. Thus, *Gold* has been superseded by *Ray Maher*, *supra*, and *Rose Ann Coates Trust*, 73-2 USTC 9492 (9th Cir.), both of which found section 304 applicable even though the acquired corporation was liquidated into the acquiring corporation as part of the transaction.

Thus, the attempt to justify the proposed revenue ruling on the basis of the broad waiving of the substance versus form wand is either inappropriate or as indicated in previous citations the contrary inference should be drawn, i.e., Newco should be recognized and the transaction not treated as a distribution from bank.

B. Case law, revenue rulings, technical advice are contrary to the holding of the proposed revenue ruling

In *Fehrs Financing Company*, *supra*, husband and wife owning 85 percent of the stock of Rental sold their stock for a lifetime annuity to Newco, owned by the children of husband and wife. Immediately thereafter the Rental stock just acquired by Newco was redeemed. It was stipulated that the transaction was under sections 304(a)(1)-301. The question for the court to decide was the gain on redemption. The gain on redemption was dependent on Newco's basis in Rental. New-

[1] See *Commissioner* v. *First Security Bank of Utah*, 405 U.S. 394 (1972), where the court held that commission income could not be allocated to the taxpayer under section 482 because national banking laws prohibited the taxpayer from acting as an insurance agent. The Supreme Court reasoned that section 482 applies only to cases in which the controlling person (here the bank holding company) has complete power to shift income among its subsidiaries. Here, the controlling person could exercise such power only if it violated national banking laws. The court was unwilling to hold section 482 could be applied on the premise the parent could force the subsidiary to violate the law.

co's basis in Rental was itself dependent on whether there were earnings and profits (conceded to be zero) and the extent to which there was gain under section 301(c)(3). The gain to husband and wife under section 301(c)(3) would increase Newco's basis in the Rental stock. The Court at the behest of the IRS found that there was no gain in the year of the receipt of the annuity.

The vitality of Newco and the distribution from Rental to Newco (and not a distribution from Rental to husband and wife) was conceded by all parties in the case. If the proposed revenue ruling is correct, *Fehrs Finance* is wrong since the case should merely have been viewed as a distribution from Rental to husband and wife.

Since it was conceded in *Fehrs Finance* that there was no distribution from Rental to the individual shareholders, it would be most inappropriate in the proposed revenue ruling to conclude that there was a distribution from bank to the individual shareholders particularly where the facts are much more favorable to the taxpayer, i.e., Newco continued to hold the stock of the acquired after the transaction.

In *Milton Falkoff*, 79-2 USTC 9569 (7th Cir.) there was an $18 million loan to Newco-Holding Company, $10 million of which was distributed to the Holding Company's shareholders as a dividend in a taxable year in which the Holding Company had no earnings and profits. Shortly after the close of the taxable year in which the loan and distribution took place, $10 million of the loan was repaid by means of a dividend to Holding Company from one of its operating subsidiaries. Because the stock of Holding Company's subsidiaries was ample security for the $18 million loan the court held that the loan was the indebtedness of Holding Company, not its shareholders. Consequently, when Holding Company made payments on the indebtedness, no constructive dividends resulted to the shareholders; rather, the shareholders were entitled to return of capital under section 301(c)(2). The Seventh Circuit approved the transaction even though it specifically found no valid business purpose for the loan but rather taxpayer purpose to avoid taxation. If *Falkoff* had held against the taxpayer and characterized the distribution as directly from the subsidiary, the proposed revenue ruling would still be wrong since the ruling has substantially more favorable facts, business purpose, and permanency of the steps. However, in view of the holding in *Falkoff* how can the IRS hope to sustain the position of the proposed revenue ruling? If anything *Falkoff* is grounds for reversing Rev. Rul. 80-239, *supra*.

The IRS has not been idle in this area. Private Letter Ruling 7841012 (Technical Advice—reputedly issued to the Cincinnati Bengals) is similar to the facts of *Falkoff*. Individual shareholders transferred the stock of the football team to Newco. Newco borrowed money and declared a dividend. Consolidated returns were not filed for the year of the dividend. In the next year the football subsidiary declared a dividend to repay the loan. The IRS upheld the scheme and recognized the dividend as a return of capital coming from Newco. It was heavily emphasized that the football team was not a co-maker, co-signer or guarantor of the loan. Since Rev. Rul. 80-239, *supra*, states that subsidiary was a guarantor on the loan that Newco made, it appears that Rev. Rul. 80-239 did not overrule the private letter ruling but merely distinguished it based on whether or not subsidiary was "on the debt."

In Rev. Rul. 79-258 I.R.B. 1979-35, 8, P corporation had debt due to an insurance company. Pursuant to a spin-off, P transferred one business to Newco and spun-off Newco. P desired Newco to assume a portion of P's liabilities commensurate with Newco's assets received. However, an insurance company would not permit this arrangement. Thus, P borrowed money from a bank, kept the proceeds to pay off some of the insurance company debt, and had Newco assume the liability. The ruling held that section 357(a) was applicable and that the transaction would not be viewed as if Newco borrowed this money and declared a dividend to P. Thus, Rev. Rul. 79-258 stands for the proposition that a liability assumed is no more than a liability assumed and will not be recharacterized as a distribution even if the liability is newly created.[2]

The author is aware of no authority which disregarded a newly created holding company that survived the transaction and continued to own the stock received in the transaction[3] nor of any authority that disregarded the assumption of a liability in the factual context of the proposed revenue ruling. Based on citations to *Higgins* v. *Smith*, *supra*, and *Minnesota Tea*, *supra*, the IRS also apparently is not aware of any authority. All the authority is to the contrary and significantly, most of it was established at the behest of the IRS or with IRS concurrence. Finally, it is respectfully submitted that the proposed revenue ruling is "a conclusion in search of a rationale."

III. IF PUBLISHED, THE PROPOSED REVENUE RULING SHOULD BE APPLIED ON A PROSPECTIVE BASIS

A. Inconsistent IRS position

Under section 7805(b), the IRS "may prescribe the extent, if any, to which any ruling or regulation, relating to the internal revenue laws, shall be applied without retroactive effect." One of the clearest cases for section 7805(b) treatment arises in connection with rulings which revoke or modify a prior published ruling. As most recently stated in Rev. Proc. 78-24 (Sec. 7.01(3)), 1978-2 C.B. 503, the Service's basic policy in this regard is as follows:

"When revenue rulings revoke or modify rulings previously published in the [Internal Revenue] Bulletin, the authority of section 7805(b) ordinarily is invoked to provide that new rulings will not be applied retroactively to the extent that the new rulings have adverse tax consequences to taxpayers. . . ."

As previously indicated, the proposed revenue ruling, if published on the theory of combined earnings and profits under section 304(a)(1), would conflict with five existing Revenue Rulings (70-496, 72-569, 78-422, 73-2, 71-563) all of which would have to be modified. In the first two, above, the failure to combine earnings and profits was paramount to the conclusion of the rulings. Also see Rev. Rul. 77-427, 1977-2 C.B. 100, which applied section 7805(b) when a prior section 304(a)(1) ruling was discredited due to an IRS restatement of position. If the proposed revenue ruling is published on the theory of a distribution from a bank, Revenue Rulings 76-123 and 75-143 will have to be modified.

Regardless of the technical merits of the issue, the IRS position as reflected in the proposed revenue ruling is a complete reversal of 26 years of experience under the 1954 Code. The IRS has never indicated, by litigating position, revenue ruling, or private letter ruling that the assumption of acquisition indebtedness on a holding company formation could be deemed a distribution from the operating company. While this basic posture has remained the same, IRS opinion regarding the transfer of bank stock and related debt to a newly formed holding company has changed several times in recent years.

For some time in the late 1960's and early 1970's the service issued favorable rulings applying Code section 351 to such transactions in a comparatively routine matter. From December 1973 to April 1975 the IRS ruled that such transactions were governed by section 304, that is, the transfer of the stock to a newly formed holding company would be treated as a redemption of holding company stock with potential dividend consequences. From April 1975 to May 1976 the IRS ruled that such transactions were governed by sections 351 and 357(a), that is, no gain or loss recognized to the transferor whose acquisition indebtedness was assumed by the holding company. From May 1976 to April 1978 the IRS would not rule with respect to such transactions. From April 1978 to April 1980 the IRS ruled that section 351 applied and that section 304 did not apply to transfers of bank stock subject to acquisition debt. From April 1980 to September 1980 the IRS would not rule with respect with such transactions. Since September 1980, the IRS will rule only if certain restrictive conditions of "agency" are satisfied.

The vacillating positions of the IRS while frustrating to the planning of commercial transactions had one certainty: there could be no dividend from the operating company. Tax planning revolved around whether sections 304(a)(1)-304(b)(2)(A), 357(a) or 357(b) applied to the debt assumption. The IRS never indicated that any other theory of taxation was possible or desirable. While one relies upon private rulings at one's peril, the great number of private rulings issued in this area and the consistent treatment on the part of the IRS in not deeming a distribution from a bank indicates a need for equity.

B. Detrimental reliance

To put the holding company problem in perspective, the following is a list of bank holding company applications to the Federal Reserve Board. Analysis indicates that most of these involve acquisition debt.

1975	156
1976	157
1977	186
1978	273
1979	372
1980 (est.)	600
	1,744

In the past decade approximately 85 private letter rulings have been identified as holding company formations with acquisition debt and approximately 90 percent of those relate to bank holding company formations. Many taxpayers in the recent past have applied for rulings immediately after purchasing a bank and seeking Federal Reserve Board approval. They were told that the IRS would not rule on recent acquisition indebtedness and that the transaction would be taxable. Now the rule is otherwise (see Rev. Proc. 80-34 (9/8/80)) and those taxpayers who will at a future date transfer their then "old and cold" debt will be "hit" with the proposed revenue ruling retroactively. Instead of tax free treatment these individuals will receive a dividend unless section 7805(b)

[2] It is particularly relevant that the principle is reiterated in this case. Usually the retention of loan proceeds and the assumption by the transferee of the liability, as part of a plan, is a classic section 357(b)—boot—case.

[3] In addition to previous authorities see Rev. Rul. 77-428, 1977-2 C.B. 117 and Rev. Rul. 72-274, 1972-1 C.B. 97. Cf. Rev. Rul. 78-250, 1978-1 C.B. 83; Rev. Rul. 73-427, 1973-2 C.B. 301 and Rev. Rul. 67-448, 1967-2 C.B. 144, all of which disregarded a Newco that was formed and merged out of existence in the same transaction. See also PLR 8045001 (Technical Advice, October 25, 1980) where a sole shareholder transferred the stock of a food corporation to Newco for common stock, preferred stock and *debentures*. Held: Section 351 applies and the agent's argument of sham, no business purpose and tax avoidance is rejected.

applies. Certainly the above scenario of taxpayers being misled to their detriment by the IRS should cause section 7805(b) to apply.

Moreover, debt has been incurred and bank acquisitions have been made in reliance on the boundaries of the law (section 304 versus section 351) established by the IRS. No bank would have changed hands with a prime rate between 14 and 20 percent if the choice was to have individual shareholders pay off of the debt or the Holding Company pay the debt and the individuals receive a dividend from bank. Thus it is submitted that any taxpayer incurring debt to purchase bank stock should not have the proposed ruling retroactively applied to him to this detriment.

This is not a situation where a few private letter rulings "slipped out" and the IRS reexamined its holding and published a contrary position retroactively. See Rev. Rul. 79–434, 1979–2 C.B. 155, pertaining to continuity of business enterprise and the attempt to thwart the conversion of an operating corporation into a mutual fund tax free. Also see Rev. Ruls. 80–284 and 80–285 (10/27/80) pertaining to the application of continuity of shareholder interest to section 351 in an attempt to thwart the "National Starch-Unilever" type transaction.

IV. THESE FACTS DO NOT PRESENT AN ABUSE OF THE TAX LAWS WHICH REQUIRES CORRECTION

The general feeling in IRS and Treasury is that the facts of the proposed revenue ruling present a major loophole which must be closed with whatever weapons are available. As pointed out, this is obviously a recent assessment since such a transaction was previously completed tax free.

Absent the need for Federal Reserve Board Approval, individual shareholders would set up a Newco, Newco would borrow money from a third party and bank would be purchased. In the future, bank would periodically declare dividends to discharge the debt. There would be no adverse tax consequences whether the purchased corporation was a bank or any other corporation. This is a "bootstrap acquisition," i.e., the purchase of the acquired corporation is financed with the earnings of such corporation. See Rev. Rul. 69–608, 1969–2 C.B. 42, Situation 6, and *Kobacker*, 37 T.C. 882 (1962), Acq. for IRS acceptance of bootstrap acquisitions.

The failure to carryout the steps in the above manner is dictated solely by Federal Reserve Board Rules which preclude holding company formation without advance approval. Such approval will be denied, in many cases for years) unless the earnings of the bank are at sufficient levels, the owners of the bank have a proven track record of efficient management, and at least 80 percent of the bank stock is acquired.

This author is fully cognizant of the fact that the rules of taxation are determined by "what was done" rather than "what could be done"; particularly in Subchapter C matters where the form of a transaction is very important. However, in an analysis of whether a transaction is tax avoidance or an abuse of the Internal Revenue laws, it is not inappropriate to consider that alternative methods could have been used to accomplish a completely tax free transaction. The alternatives were avoided not because of neglect or lack of knowledge but because of the rules of another government agency.

The American Bar Association in studying the sections 351–304 overlap problem has concluded that legislation should be sought to resolve the problem. Recommendation No. 1979–3 would provide that, "Upon a transfer described in both sections 351 and 304 of the Code of, the receipt of property other than stock of the transferee corporation and the assumption of certain liabilities [357(a)] should be governed by section 304." *Tax Legislative Recommendations Of The American Bar Association*, Section of Taxation, Summer 1980. Also see 32, *The Tax Lawyer*, 1446. Thus, the ABA would provide for tax free treatment under the facts of the proposed revenue ruling. It is appreciated that this recommendation is based on what the law should be, rather than what the law is. However, in determining whether there exists an abusive tax gimmick, one has to be swayed by the de novo review by the ABA.

V. CONCLUSION

The proposed revenue ruling should not be published. There is no existing body of law to justify the conclusion of the ruling. All precedents are to the contrary. The IRS is "legislating" on a set of facts that it perceives gives rise to an unintended abusive tax result. It is submitted that the transaction is not a gimmick and should be tax free under existing law. Finally, the abrupt departure from prior IRS precedents and a decade of vacilliation between section 351 and section 304 coupled with taxpayer detrimental reliance should, as a minimum, give rise to section 7805(b) treatment.

GILBERT D. BLOOM,
Partner.●

SCIENCE, TECHNOLOGY AND DEVELOPMENT

● Mr. STEVENSON. Mr. President, science and technology are powerful instruments of material advancement and keys to the sound economic development of the Third World. One of the greatest constraints faced by the poor countries is their lack of the institutions and funds to perform research and adapt technologies which could solve many of their pressing development problems. At present, less than 4 percent of the world's R. & D. is performed in less developed countries, and relevant to the needs of these countries—less than 4 percent, in the service of three-quarters of the world's population.

As a delegate to the 1979 U.N. Conference on Science Technology for Development, I participated in global negotiations aimed at redressing, somewhat, this imbalance, and expanding research cooperation between North and South. Since that Conference, the United States has backpedaled distressingly on its earlier pledges of financial support for a U.N. Fund for Science and Technology.

Equally distressing is our failure to exploit opportunities for bilateral research cooperation with LDCs. A proposed Institute for Scientific and Technological Cooperation was authorized, but never funded. In our relations with our neighbor to the South, Mexico, mutually beneficial research projects which could offer a long-term basis for stable and cooperative links, have never been developed.

I submit for the record an example of the scope for such cooperation. The article, entitled "Guayule Bounces Back," deals with research on a rubber-producing desert shrub being performed in Mexico, but of clear relevance to farmers in the southwestern United States, as well as to the rubber industry.

The article is fascinating in itself, but I introduce it also in order to salute the new publication from which it is excerpted—the first English language magazine on science and technology in a developing country, published by a developing country. The magazine—called R. & D. Mexico—is designed to "bridge the information gap between scientists, specialists and decisionmakers in research, industry, government and business, in Mexico and abroad." Judging from the first colorful, informative issue R. & D. Mexico is an experiment destined for some success, and I commend its publisher, the Mexican National Council on Science and Technology (CONACYT) for its vision.

The article follows:

GUAYULE BOUNCES BACK: DESERT SHRUB COMPETES WITH HEVEA RUBBER FOR FUTURE INTERNATIONAL MARKETS

Mention the guayule plant to a European or a North American and the response is bound to be a questioning stare. Yet this unprepossessing foot-high shrub, which flourishes in the arid zones of Mexico and in the southwestern United States, is likely to enjoy increasing attention in the coming years, especially by those who are troubled by the rising costs of oil, the political pressures that threaten the world's materials supply and the knowledge that we are exhausting the world's capital of fossil fuels.

For guayule (wy-oo-le) is a commercially proven producer of natural rubber, a source that can compete successfully with the natural hevea rubber of Malaysia and South America and, more important, substitute for and complement the manufacture and use of synthetic rubber. Since synthetic rubber relies on oil, the use of guayule means, in effect, a decrease in dependence on crude and possible major step in the conservation of energy.

The plant is not an unknown quantity. It served as a significant source of rubber during World War II when the United States was denied access to Southeast Asia, and it was only squeezed out of the market after the war by the petroleum-based synthetics and by the surplus stocks from the recovered areas of Southeast Asia.

During World War II, in addition to launching a crash program to develop synthetic rubber, the United States increased its imports of Mexican guayule to 125,000 tons, only to abandon the plant once again when immediate needs declined.

Mexico, however, did not completely dismantle its guayule program. The National Commission on Arid Zones and CONACYT continued research on the plant. In 1974, the Center for Research in Applied Chemistry (CIQA) established a pilot facility in Saltillo, Coahuila, to improve the technology for manufacturing rubber from wild stands of guayule. Mexico is once again building commercial mills in those regions where guayule is abundant.

Mexico's stands of guayule have recovered. A recent survey reports three million tons of adult plants spread over 10 million acres in the states of Coahuila, Zacatecas, Chihuahua, Nuevo León and San Luis Postosí.

Guayule is vital, too, because synthetic rubber has not replaced natural rubber. Natural rubber is still required for products that demand a high degree of elasticity, resilience, tackiness and low heat build up. Airplane tires, for example, are made almost totally from natural rubber.

The United States imports a fifth of the world's rubber supply, over 700,000 metric tons. It obtains virtually all of this import from the hevea rubber plantations of Malaysia, Indonesia, Thailand, and Sri Lanka. Mexico also imports all but 11 percent of its natural rubber. There is, then, an obvious advantage in having a dependable supply of such a strategic material, and Mexican scientists now argue that it is possible to offer a product far superior to guayule rubber of 30 years ago, one that can com-

pete in price and quality with the best rubber on the market.

Guayule takes from four to seven years to reach an economically viable size: about three feet. A major asset of the plant is its ability to thrive on land too arid for food production. An interesting fact is that it produces most rubber in periods of stress such as very cool or dry weather when its growth slows and it becomes semidormant. Even when it remains unharvested, it retains the rubber it has produced.

Guayule has been called a plant-breeder's dream. In one variety, reproduction takes place without fertilization, resulting in an offspring that is genetically identical to the parent. Thus, a breeder can cross sexually reproducing plants to obtain useful characteristics and can then induce these plants to reproduce asexually to retain the hybrid attributes throughout subsequent generations.

Although there are 2,000 different species, not all are adaptable to industrial use. Wild strains have been found containing up to 26 percent rubber. But the most widely used strain when guayule was grown commercially contained only 20 percent. A breeding and selection program could undoubtedly improve the yield as it has in the case of hevea rubber.

The chemical and physical properties of guayule and hevea rubber are the same. Because the slightest variation in molecular structure can change the mechanical qualities of a product, scientists of the Center for Research in Applied Chemistry (CIQA) have used the most advanced electronic scanning techniques to analyze the plant's microstructure. They found no differences in molecular structure, length, weight, or the way the chain was joined together. They found that guayule lacks certain impurities that aid the vulcanization of hevea rubber. However, the vulcanization formula (the process whereby rubber is mixed with sulphur and other ingredients and molded under pressure at high heat) can be adjusted to get similar results.

LABORATORY TESTED

At the end of 1976, the first lots of guayule rubber were tested by laboratory analysis and in products. Their characteristics were found to be very similar to high-quality hevea rubber; in some cases they were superior. Major rubber companies in Mexico and abroad are currently road-testing guayule-rubber tires.

Guayule is also the source of a number of important by-products. Resin, for example, a major component that makes up 10 to 15 percent of the plant's weight, can be used to make adhesives, drying oils and rubber additives among other products. Waste pulp and cork can be compressed into blocks for use in construction, and the leaves, which contain up to 12 percent protein, can serve as livestock feed.

Cultivating guayule is also a way of generating income and providing employment, especially in rural areas. It has been suggested that guayule could benefit U.S. Indian reservations in Arizona and New Mexico, lands not really suitable for conventional crops.

Mexico's expertise in guayule processing and international advances in cultivation offer prospects for continued collaboration between different countries around the world.●

THE MIDDLE EAST

● Mr. METZENBAUM. Mr. President, in recent months, a number of voices have been raised, some of them quite distinquished, to advocate the inclusion of the Palestinian Liberation Organization in negotiations for peace in the Middle East. By implication, these well-meaning voices appear to have the effect of portraying the PLO as somehow or other more "moderate" than that terrorist organization has been throughout its bloodstained history. And also by implication. Israel is branded by these appeals as the recalcitrant obstacle to peace.

Mr. President, I can fully understand the desire of decent people to appeal for the kind of reason, for the kinds of compromise that are second nature to those fortunate enough to have been raised in our democratic society.

But I see no evidence, none whatsoever, to indicate that the PLO and its radical allies have shown the slightest interest in modifying their implacable hostility to the very existence of the State of Israel.

The 1968 PLO covenant called for the outright destruction of Israel. That has not changed—not in the slightest.

The PLO's close allies—Khomeini's Iran, Libya, Syria, Iraq—none of these countries has indicated in any way, a desire for a peace short of total victory for their cause.

The Soviet Union, the PLO's political patron and military supplier, has shown no inclination to back away from stirring troubled Middle Eastern waters.

And above all, Mr. President, the PLO is today as committed as it ever was to the use of terror as a political method.

We are all aware of the long, bloody history of PLO terror against Israel.

The world is no longer surprised at the outrages perpetrated by PLO "commandos" whose idea of heroism is to bomb a school or a crowded marketplace or to murder pilgrims on their way to the holy places. We are used to all that. It is what we have come to expect from the PLO, and we have seen so much of it that it is easy to lose sight of what terror tells us about those who make use of it.

For that reason, I want to call the attention of the Senate to a news release issued recently by the Lebanese Information Research Center, an organization that speaks for an important Lebanese Christian group.

It is not my intention, to take sides in terrible civil strife that has so tortured that beautiful country, but it is instructive, Mr. President, to consider the experience of the Arab Lebanese who have dared to stand against the PLO.

I ask that the text of the press release be printed at this point in the RECORD.

The press release follows:

LEBANESE INFORMATION AND RESEARCH CENTER,
Washington, D.C., November 13, 1980.

PRESS RELEASE

Two booby-trapped cars exploded November 10, 1980 around noontime within a twenty minute interval, while the narrow streets of Ashrafieh, East Beirut, were filled with shoppers and school buses. The deadly blast killed nine persons instantly and seriously injured sixty-nine others. One explosion was estimated at 80 kilos T.N.T. and the other at 60 kilos.

This is the fifth criminal attempt at killing, maiming and injuring the peaceful and innocent population of East Beirut or the Christian sector of Lebanon. It was masterminded by the "Security Service" attached to Fatah.

On Friday, November 7, 1980, the Central Council of Fatah, the largest Palestinian terrorist organization, held a meeting chaired by Yasser Arafat and decided to direct a severe blow to the eastern sector of Beirut. The terrorist mission was entrusted to Unit 17 of the "Security Services", headed by Abou Tayeb. The cars were booby-trapped in a garage located on Fakahani Street in Sabra, a PLO camp in West Beirut. The plastic type of T.N.T. is U.S.-made and owned only by the PLO.

These insane terrorist acts are another desperate attempt on the part of the PLO to create an atmosphere of fear and insecurity through which it hopes to accomplish a threefold goal: 1) Force the Lebanese people to accept Palestinian implantation in Lebanon, 2) Coerce the Lebanese Forces to close traffic between East and West Beirut so it can accuse them of wanting to partition the country, and 3) Entice the Lebanese Forces to retaliate by sending booby-trapped cars to West Beirut, initiating a new conflict between Christians and Muslims which will frustrate the new consensus of all Lebanese against a permanent Palestinian settlement in Lebanon. However, the Lebanese Forces are determined not to fall in this trap. Furthermore, the Ashrafieh mass murder is a signal that the PLO is ready to resume its international terrorist activity.

The American media has given very little attention to this incident. Whatever the reasons for neglecting this major fact, the Lebanese Information and Research Center would like to point out that while the PLO is seeking a recognition at the international level reserved only for states, it continues to act, particularly inside Lebanon, as a terrorist organization.

Mr. METZENBAUM. The idea that the PLO has changed is wishful thinking—no more, no less.

And it is the kind of wishful thinking in which the people of Israel, whose survival is on the line, cannot afford to indulge.

We are told that Israel has not done enough for peace.

Yet here we have a country that gave up a secure source of oil—its only source—as part of the price of peace with Egypt.

Israel agreed to abandon hard-won military advantages in the Sinai—and to give up some of the world's most sophisticated air bases—as part of the price for peace.

Israelis pay the world's highest taxes to build and protect their county.

Young men in Israel must serve 3 years of active duty in the military and remain in the Reserves until age 45.

Women are required to put in 5 years of active military duty at age 18 and to serve in the Reserves until age 34.

Those are real sacrifices. But they are necessary in a country whose neighbors, with one exception, do not recognize its right to exist.

Do the Israelis want peace?

Of course they do.

What could that country want more? What could Israel need more?

But Israel cannot accept just any kind of peace.

Israel must have defensible bonders.

Israel must have full and unambiguous recognition by the Arab countries.

And Israel must be in a position to defend herself in the future. If nothing else, the war between Iran and Iraq and the threat of war between Syria and Jordan demonstrates to all who want to see that no nation in the Middle East can afford

in these unstable times to let down its guard.

Yet we hear that Israel should be "reasonable" and recognize the PLO as a party to negotiations.

We hear that Israel should legitimize the idea of a PLO state—a state armed by the Soviets, allied with the most radical Arab countries and pointed like a loaded pistol at Israel's heart.

Our country would never accept such a situation for itself. And it is wrong to expect the Israelis to endanger their country's future as a free, sovereign nation in pursuit of some ephemeral negotiations with the implacable terrorists of the PLO. That, Mr. President, is not a reasonable request. And it is not a request that Israel can afford to honor.●

EL SALVADOR: VIOLENCE AND TRAGEDY

● Mr. KENNEDY. Mr. President, on Thanksgiving Day, six political leaders representing a spectrum of views were kidnaped and executed in El Salvador.

These leaders of the Democratic Revolutionary Front represented the center left to left sector of political opposition to the current military-civilian junta. In fact, the President of the group, Enrique Alvarez, a businessman, had been Minister of Agriculture in the first junta which had replaced President Romero a year ago.

The body of Enrique Alvarez was among those found following the kidnaping.

The tragedy of the killing is not merely that it represents another round in the bloody political warfare which has cost some 8,000 lives since the start of this year. It also demonstrates anew that each week that passes without steps toward a political settlement leads toward greater violence in El Salvador.

The leadership of the Front had traveled to Washington and to European capitals in September. They explained their position, argued that the junta was unrepresentative, and strongly disputed efforts to distinguish between government security forces and the forces of terror on the right. They argued that U.S. military aid to the Salvadoran junta and to its security would serve neither nation's interests; indeed, this aid encouraged some elements of the military to believe that the United States would accept continued repression of political opposition.

Both the kidnaping of these political leaders, from the Jesuit High School where they were meeting, and their executions point even more than in the past to a linkage between paramilitary death squads and government security forces. Uniformed armed forces personnel, largely National Guard and National Police, have been implicated in past political killings. The reported encirclement of the high school by uniformed men and numerous other facts surrounding last week's fatal abduction once more underscore these ties. No one can argue convincingly that the Salvadoran Government or its security forces are acting to halt the right-wing death squads or to dissolve the paramilitary.

The killing of these leaders, followed by the bombing of the cathedral as their bodies lay in state, have marked a sharply accelerated drive against the political opposition in El Salvador. Once more, fragile hopes fade for a negotiated solution which might increase political participation and end the state of fear which dominates the lives of virtually every Salvadoran family. This most recent attack undermines the remaining chances for a nonviolent political settlement. Instead of strengthening moderate political leaders the recent executions reinforce the arguments of those who see armed struggle as the only answer.

In a perceptive column in the New York Times, Anthony Lewis stated:

> The trouble is that the reformist character of the government installed a year ago has faded with the violence. Many now believe it has slipped to the right and protected rightist violence. During last week's kidnapping, 200 men in police and military uniforms surrounded the area. The Government's political appeal, in the country and outside, has declined.

In the first 10 months of this year, 5,523 persons were killed for political reasons and 211 political prisoners "disappeared", according to the Legal Department of the Archdiocese of San Salvador. Six times, planes and helicopters of the Armed Force have machinegunned and bombed towns and villages in the regions of Aguilares and El Paisnal.

Mr. President, the recent events also show the sad reality that in El Salvador, the Church, for having identified itself with the victims, itself has become a victim. Its legal aid office has been occupied more than once. Its cathedral has been bombed repeatedly. Its priests have been arrested, tortured and killed.

Four priests have been assassinated in the last 7 months; one of them, Friar Miguel Reyes, was the director of a refugee center, the last, Friar Marcial Serrano, was assassinated by rightist gunmen just 2 days ago. The Church radio station was dynamited twice, along with the entryway to the archdiocesan offices. The OAS Inter-American Commission on Human Rights has called these acts "systematic persecution by the authorities and organizations that enjoy the favor of the government".

During the first 6 months of 1980, 64 teachers were killed—including Prof. Reynaldo Barillas Guzman, who was assassinated just 15 days after having received the "Dario Gonzales" medal from the Minstry of Education, based on a nationwide vote by teachers. Security forces violently entered schools over 100 times during this period.

The grounds of El Salvador's National University were invaded last June, and the country's only medical school was closed. The neutrality of the nation's medical centers has been disregarded. A recent report on abuses of medical neutrality by a U.S. team found that "death squads and uniformed forces have repeatedly entered hospitals and clinics and shot down patients, doctors, nurses and medical students . . ."

The governing junta's failure to end repression has tarnished efforts to draw popular support. The junta has been largely deserted by civilian supporters except for the private oligarchy, those in the conservative wing of the Christian Democratic party and elements even further to the right.

On the left, armed insurgents daily grow more active, more embittered and more opposed to negotiations with a repressive regime. When they resort to violence, we must condemn and oppose such acts just as much as we do when violence comes from the right. For even though it is clear that instances of repression and brutality are far more prevalent from the right, the United States must not condone armed force from any quarter.

In this situation, the least the United States can do is to halt military aid and support for the Salvadoran junta. The junta should not be allowed to assume that our support will continue while the repression and the violence persist. Until repression ends, U.S. military assistance to the junta should cease. We should stop further disbursements of the $5.7 million in foreign military sales (FMS) credits approved last April, and we should stop further consideration of an additional $5 million in military support by the administration.

If the United States continues to provide military support to the Salvadoran junta—and urges others to do the same—it will lose its remaining capacity to play an intermediary role. As military choices dominate politics, those with arms—the far left and the far right—will gain ascendance. Our very objective of regional stability—and preventing the struggle from widening—would be undermined by expanding the U.S. military role in El Salvador—as supplier, trainer, and adviser.

The incoming administration needs to address these issues early. U.S. political campaign criticism of the outgoing administration's policies toward Latin America and human rights should not be construed by those in El Salvador and elsewhere as criticism of human rights themselves. That false image should not be allowed to grow in the fertile ground of silence.

In El Salvador, and elsewhere in Central and South America, there are those who are encouraged by the recent surge of violence directed by or connected to government security forces, and who believe this violence will be condoned by the next administration. A strong statement condemning such violence as the recent killings and church bombing in El Salvador is needed now. I agree with the Washington Post that "What the American interest now requires is an indication by President-elect Reagan that El Salvador cannot go back to the pre-junta brutality and injustice and that he is as opposed to terrorism on the right as to terrorism on the left."

Mr. President, I submit Anthony Lewis' column in the New York Times and the text of the editorial in the Washington Post to be printed in the RECORD, along with the conclusions of the Inter-American Commission on Human Rights 1980 Report on El Salvador, the statement by the San Salvador Archdiocese Legal Aid Office on the kidnaping and

executions last week, a translation of a report from the Archdiocese Newspaper concerning attacks on communities in the rural area of El Salvador, and the Report of the Public Health Commission to El Salvador.

The materials are as follows:

ANOTHER NOBLE CAUSE?

(By Anthony Lewis)

The document says American policy toward Country X has "identified our interests with a relatively weak, unpopular and isolated regime." It argues that "our actions and our words have narrowed down our policy to a single path of gradual escalation of direct military involvement . . . in a political context that gives the use of force few chances to achieve a satisfactory outcome."

It might be a dissenting document from the early days of American involvement in Vietnam—something written by a C.I.A. analyst in, say, 1964. If such an analysis had appeared in the Pentagon Papers when that history was published in 1971, its gloomy forecast would have been regarded as extraordinarily prescient.

In fact, it is a document dissenting from U.S. policy toward El Salvador today. Now circulating in Washington, it bears no names but is attributed to "current and former officials" of the C.I.A., the State and Defense Departments and the National Security Council. It was first disclosed by a Boston Globe specialist on Latin America, Stephen Kinzer.

El Salvador is a small Central American country, population 4.5 million, of which most North Americans know little—about like Vietnam in the early 1960's. Unlike Vietnam, it is in our back yard; history and geography demand United States concern when El Salvador is in turmoil. And for the last year it has been in bloody turmoil.

On Oct. 15, 1979, reformist army colonels overthrew El Salvador's rightist government. A mixed regime of military men and moderate-left civilians has governed since. It has redistributed land to peasants and nationalized banks. But it has been preoccupied by violence from right and left.

More than 8,000 people have been murdered in El Salvador so far in 1980—compared with 2,000 in the last 11 years of sectarian violence in Northern Ireland. Most of the victims were shot or bludgeoned to death by right-wing "death squads." Last week gunmen kidnapped left-wing political leaders from a press conference; the next day bodies of six were found, shot after torture. The right has attempted two coups.

On the left, guerrillas have killed not only soldiers and businessmen but members of the centrist Christian Democratic Party, which is in the government. The guerrillas are believed to be getting help from Nicaragua, and a victory for them would be seen as extending the influence of Fidel Castro's Cuba in Central America.

The Carter Administration, opposed to the guerrillas but concerned about the effects of rightist terror, has followed a middle policy. It strongly supports the El Salvador junta and has condemned the right-wing coup attempts. It has a small military advisory group in the country. But because of human rights violations by the security forces and death squads, Washington has embargoed sales of "lethal" military equipment.

The dissenting document now circulating in Washington argues that the Carter policy will not meet its objectives, which are to limit Cuban and Soviet influence in Central America and promote stable, pluralistic governments. The authors say there is a drift toward U.S. military involvement that will tend to expand the conflict in El Salvador, offend moderate governments in the region and actually serve Soviet and Cuban interests.

"Various U.S. Government agencies," the document says, "have taken preparatory steps to intervene militarily in El Salvador." It says that Mexico, Panama, Venezuela, Ecuador and Costa Rica, concerned at the trend, are moving away from support of U.S. policy.

The oncoming Reagan Administration has to regard the situation in El Salvador as one of the most threatening it faces. In the last few days members of the leading El Salvador business group, the Productive Alliance, have been in Washington talking to Reagan advisers. They told reporters that the advisers said combat military and financial aid would come quickly from a Reagan Administration, but warned against a rightist military coup.

One of the Reagan advisers, Jean Kirkpatrick of the American Enterprise Institute, said afterward that no policies had been worked out but that the new Administration would try to see that "Castroite guerrillas" do not "take power by force of arms." The existing El Salvador Government, she said, was already of a social democratic type, "profoundly reformist."

The trouble is that the reformist character of the government installed a year ago has faded with the violence. Many now believe it has slipped to the right and protected rightist violence. During last week's kidnapping, 200 men in police and military uniforms surrounded the area. The Government's political appeal, in the country and outside, has declined.

That is what the dissenters see in their critical document. But their solution—that the U.S. work for a "Zimbabwe solution" with the guerrillas—is also highly risky. Hence the danger that Washington, in the early Reagan months, will slip into military escalation in El Salvador.

AN EMERGENCY FOR GOV. REAGAN

Ronald Reagan doesn't become president until Jan. 20, but in respect to at least one burning foreign policy issue, El Salvador, there is strong reason for him to make some kind of statement now. It would put him into the middle of a moving situation even before his policy team, let alone his policy, is in place. But just by being elected, he was thrust into the middle of that situation. If he waits to join the issue until he is in the White House, the situation may well have evolved to the point where his best choices have gone by the board.

The emergency arises out of the massacre last weekend of the top leadership of the leftist Revolutionary Democratic Front. The perpetrators apparently were from the fanatical right, a segment of society that, along with the equally fanatical left, has turned El Salvador into a charnel house over the past year—some 8,000 people have been murdered. The evident purpose of this particular slaughter was to consummate the task, embraced by both the far right and the far left, of precipitating an all-out civil war. The Carter administration has been struggling to help the all-too-flimsy center hold.

Ronald Reagan, of course, has given no encouragement or support whatever to the viciousness practiced by either Salvadoran extreme. His stated and presumed favor for anti-communists in revolutionary situations, however, has been widely noted in El Salvador and has contributed to the political brew there—and elsewhere in Latin America. Some elements of the right have hoped to enlist the Reagan predisposition in the service of their own unprincipled grab for power. It is to be expected that these elements will do everything in their power by Jan. 20 to blow the civil strife there into an inferno that would seem to leave the new president no alternative but to back the side purporting to stop the tide of communism—as corrupt and discredited as those elements in El Salvador are. It was to warn of his looming calamity that a respected civilian member of the Salvadoran junta, Jose Napoleon Duarte, quietly visited Reagan aides, as well as President Carter, a few days ago.

The junta is a gamble. Along with its reformist elements are repressive forces with links to the far right. It represents, however, what chances remain in El Salvador to build a barrier against communism and fascism alike. There is nothing else. What the American interest now requires is an indication by President-elect Reagan that El Salvador cannot go back to the pre-junta brutality and injustice and that he is as opposed to terrorism on the right as to terrorism on the left. That would not solve the problems he will still have in El Salvador after Jan. 20 but it will leave him some options.

ANNUAL REPORT OF THE INTER-AMERICAN COMMISSION ON HUMAN RIGHTS TO THE GENERAL ASSEMBLY

CONCLUSIONS AND RECOMMENDATIONS

In the light of the background and considerations stated, the Inter-American Commission on Human Rights wishes to express, as a general conclusion, its deep concern over the increasing violence in El Salvador, which from October 15, 1979, up to the date of approval of the present report, has taken a too severe cost in human life and meant a general deterioration in the situation of the human rights set forth in the American Convention on Human Rights.

These conditions clearly are not consistent with the purposes announced by the Governing revolutionary Junta, which justified its assumption of power by the need for change in the social-economic structure of the country and the deteriorating situation of human rights, as verified in the earlier report of the Commission. But it is also true that the Government, in the face of the violence prevalent in El Salvador today, has been unable to control and overcome a situation which, if continued, will seriously compromise national unity and even the stability of the Central American region.

The Inter-American Commission on Human Rights is particularly concerned over the relative passivity of the government as regards certain armed groups which still maintain ties with former members of security agencies and of the dissolved organization ORDEN and which are apparently responsible for hundreds of killings, and over the absence of adequate, effective investigation of such crimes by the authorities.

Against this background, the Inter-American Commission on Human Rights makes the following recommendations to the Salvadoran Government:

(1) The adoption of organized action to overcome current violence, which might include, among other measures, the following:

(a) effective, real steps to disarm private individuals and prevent the entry of weapons from abroad;

(b) a massive campaign against violence in the schools and the mass media;

(c) the reopening of the dialogue among all the sectors of Salvadoran society without exception, including, therefore, the dissident forces of the left and of the right, with a view to establishing the conditions that would make it possible in the short term to hold elections which would reveal the true will of the people and legitimate the Government that wins such an election. For this purpose, a new election law and a reorganized Central Elections Council are needed.

(2) An exhaustive, rapid investigation of the cases of murder in which past or present members of security agencies have been charged as the instigators or authors, with full sanctions of the law against those shown to be the responsible parties.

(3) The Commission considers it would be appropriate, upon the invitation or concurrence of the Government and with the cooperation of all Salvadoran sectors, for the

Commission to make a new on-site observation for purposes of verifying compliance with the recommendations made in its earlier report and those contained in the present report.

STATEMENT BY THE SAN SALVADOR ARCHDIOCESE LEGAL AID OFFICE

On Thursday, November 27, at 11:20 a.m., twenty-five agents in civilian dress entered the San Jose High School (Externado San Jose), where the offices of the Archdiocese Legal Aid Office (Socorro Juridico del Arzobispado) are located. Some 200 soldiers and police had surrounded the high school. As the men in civilian dress entered the premises, they ordered everyone present at the Catholic institution and a number of visitors to lie down, face to the ground. Then, they proceeded to capture the Democratic Revolutionary Front (FDR) leaders who were in one of the high school rooms giving a press conference to members of the international press. After beating those found in the room and tieing their hands behind their backs, the agents in civilian dress forced them to get into three pick-up vehicles which then sped away.

Seven leaders of the FDR were captured. In addition, another 23 persons were captured. Later, the leaders of the Democratic Revolutionary Front were found assassinated, their bodies showing signs of strangulation, mutilation and bullet wounds in the head. The bodies of Juan Chacón, Humberto Mendoza, Enrique Barrera and Doroteo Hernández were found at kilometer 15 of the road to the bathing resort Apulo, to the east of the capital, San Salvador, the day of the capture. The bodies of Enrique Alvarez and Manuel Franco were found 28 November at kilometer 18½ of the same road.

Given government versions which place responsibility for this massacre on an ultra-rightist group, the Archdiocese Legal Aid Office (Socorro Juridico) offers for consideration the following data which contradict the government versions:

As the operation began, the agents in civilian dress kidnapped the High School watchman, taking him to the premises of the Salvadoran Institute for Social Security, which is located some blocks from the high school.

According to statements of persons who were present during the operation, the agents were in radio communication with the Salvadorean Institute for Social Security, and vice versa.

Furthermore, the agents in civilian dress arrived at the high school armed with machine-guns and G-3 rifles.

The vehicles had license plates and were identified as belonging to official organizations.

Another revealing piece of information is the total immunity with which the operation was carried out: in full daylight, at the largest secondary school in the country, along one of the most heavily-traveled roads of the capital, and three blocks from the most guarded building, the Embassy of the United States. Given these elements, it seems incredible that no authority came to the scene of the events during the operation.

This is particularly noteworthy if one takes into consideration the magnitude of the operation: more than 200 police elements surrounded the building for more than 25 minutes.

But if doubts remain regarding the responsibility of the government in this multiple assassination, we offer for consideration the following cable of the AP news agency, sent moments after the events, from San Salvador, in which Salvadorean authorities take responsibility for the capture of the leaders: "San Salvador, 27 November, AP—The authorities today announced that they had captured the highest leaders of the FDR, who were offering political leadership for leftist organizations which sought to overthrow the government." This cable appeared in "Ultimas Noticias," the second edition of the newspaper, Excelsior, on the front page, 27 November.

The Archdiocese Legal Aid Office (Socorro Juridico) makes it known to world public opinion, international human rights organizations, that since its founding in 1975, the office's responsibility has been to promote the integral defense of the human rights of the Salvadorean people. The right to freedom of expression, such as that exercised by the executive committee of the Democratic Revolutionary Front on November 27, constitutes a sacred right that the Archdiocese Legal Aid Office has always defended.

The Jesuit San Jose High School (Externado San Jose), in a profoundly humanitarian and valiant attitude given the fact that the military government in El Salvador has violated all means of expression with repressive violence, offered its premises so that the Democratic Revolutionary Front might express itself.

Just as we defend the valiant attitude of the San Jose High School, we energetically condemn the horrible repressive action that the Salvadoran Army and its special security forces committed against the Executive Committee of the Democratic Revolutionary Front.

We protest to the OAS Inter-American Commission on Human Rights, to its President, Tom Farer, to its Executive-Secretary Edmundo Vargas, and to Dr. Theodore Van Boven, Head of the Division of Human Rights of the United Nations, for these serious events that indicate the degree of savagery of a military government that maintains itself in power only through the force of arms.

[Translation From the Original in Spanish]

CLEAR, CRUEL AND ARBITRARY PERSECUTION AGAINST THE PEOPLE AND THE CHURCH

The Secretary of Social Communication of the Archdiocese of San Salvador informed and announced the most recent events in the zone of Aguilares, seen as a clear, cruel and arbitrary persecution against the people and against the Church in El Salvador.

1. The events of October 6th and 11th 1980.—In the early morning of Monday, October 6th, members of the Security forces and of ORDEN violently burst into the warehouse that the parish used to store the goods of Caritas. They forced the back door of the storeroom, inspected the place and upon finding nothing, they ran through the hall of the main body of the Church. Then they destroyed two posters, one for assistance to the Church radio station, YSAX, and the other of the Mission, that were posted on the door of the Church. They then shot at the Parish building.

Not satisfied with this injust and violent search of the buildings, at 2 a.m. on Friday, October 11th, the same security forces and agents of ORDEN once again entered the warehouse of Caritas, breaking down the back door to enter and the front on leaving. They stole clothing being stored for helping campesinos.

Then they went to the Parish house, shot off the locks of the entry doors and entered the Rectory. They fired at the statue of Fr. Rutilio Grande and opened doors of rooms and cabinets, forcing the padlocks. They also fired weapons at the door of the Church. They were not able to open it from the inside and went into the Church through the Sacristy. They stole the poor money boxes after breaking into them with gunfire and machetes. They also fired at the door of the Parish Clinic, but did not enter. In the main body of the Church, the Rectory and the Sacristy, G-3 shells were found. The G-3 is the regular weapon of the Army and security forces. They also found 9mm shells. The broken locks as well as the shells are proof of these events, and are in the possession of the Archdiocese.

2. The general situation.—It is very well known that the area of Aguilares and El Paisnal is one of the hardest hit regions by successive governments. Since the assassination of its Vicar, Fr. Rutilio Grande, in March of 1977, the military occupation of the city of Aguilares and the expulsion of its Parish team in May of that year, the deaths and disappearances have multiplied. Notwithstanding, since January 24th, 1980, the deaths and disappearances have begun to be counted in the hundreds. Since that time more than 400 people of all ages, both sexes, and mixed economic background have been victims of a merciless, bloody persecution directed at Christian Communities of both the countryside and the city.

A brief account provides the following figures: Approximately six massive military operations; six times planes and helicopters of the Armed Forces have machine-gunned and bombed the towns and villages of Aguilares and El Paisnal; military searches, accompanied by robbery, burning of houses, and assassinations are countless. Some 111 houses have been burned in the region. The situation in the countryside is desperate. There is not enough food nor the way to obtain it.

The Parish is continuously watched by the military and the Pastoral team is threatened. This has meant that the Pastoral action of the Church has been seriously hindered, including liturgy, catechism for children, pastoral visits to the villages, the celebration of mass or of gospel reflections, and social services provided by the Clinic, Caritas, etc.

The Secretariat of Social Communication of the Archdiocese of San Salvador does not consider the events of the 6th and 11th as isolated incidents, but rather as the continuation of a series of open, cruel and pitiless acts of persecution against the people and against the Church. Therefore, the Social Communications Office:

3. Denounces actively all these manifestations of repression against the people and against the Church that a.) leave a bloody, monthly balance of dozens of deaths and disappearances; b.) violate the most basic human rights, without giving people the least possibility of defense or protest, since all the channels for self-expression have been prohibited; c.) impede the Pastoral and humanitarian activities of the Church; and d.) go against the Constitution of El Salvador and against the rights that are guarded by the Constitution.

4. Places responsibility on the Security Forces and ORDEN for the repressive actions against the Christian Communities; and on the cruel and disproportionate rightist terrorism unleashed in the countryside and cities, since they have the endorsement, the protection and the complicity of the Security Forces.

5. And demands:

(a) That the oft-proclaimed promises of the Government Junta to work to benefit the people and to respect Human Rights be fulfilled.

(b) That the Government Junta, which has power over the Central Command of the Armed Forces, order the Security Forces—uniformed or not—to respect both in daytime and at night, the right of campesinos to organize, just as the Security Forces respect the right to organize of organizations such as ANEP, ASI, etc.

(c) That the material and intellectual authors of so much crime, cruelty, and sadism be punished, since the authors are known.

(d) That the Pastoral work of the Church be permitted and that it be allowed to complete its mission.

(Orientation (weekly newspaper of the San Salvador Archdiocese) Oct. 19, 1980.)

ABUSES OF MEDICAL NEUTRALITY

(Report of the Public Health Commission to El Salvador July 1980)

Recurrent reports of violations of the neutrality of medical institutions and of the rights of health workers, including the killings of doctors and patients, made imperative a prompt, on-the-spot inquiry by a respected group of health experts. Such a Public Health Commission of Inquiry was organized by the Committee for Health Rights in El Salvador with the support of the American Public Health Association, The Physicians Forum and the American Friends Service Committee. The Commission consisted of three physicians, a professor of public health and a teacher of community health and social medicine. It visited San Salvador July 14 to 17, 1980. The Appendix lists the members of the Commission with their affiliations and gives details of its activities.

While in San Salvador, the Commission interviewed almost 50 individuals in the health and relief fields representing many organizations and a spectrum of political beliefs. Among those interviewed were the Minister of Health and a member of the ruling Junta who is a physician. Many hours were spent with representatives of the major national doctor, nurse and health worker organizations. The principal conclusions of the Commission are:

Since the coup of October 15, 1979, the traditional protection conferred on doctors and other health workers has been increasingly ignored as military and paramilitary gangs have assassinated, tortured and threatened doctors, nurses and medical students.

Military and paramilitary personnel have flagrantly entered hospitals and shot down patients in cold blood.

There is no instance in which the Salvadoran Government has punished, prosecuted or even identified those responsible for these killings.

Since the signing of the Geneva Convention in 1864, nations have pledged to regard doctors and nurses as well as the sick and wounded as neutrals during military conflict. These principles are being recklessly disregarded in El Salvador today. On the basis of these and other findings, detailed in the body of this report, the Commission urgently calls upon the following bodies to undertake these recommendations:

The Government of El Salvador to—

Take vigorous action to stop violations of medical neutrality, and to insure that all health personnel can treat persons in need of care without fear of reprisal;

Reopen the Medical School, as well as other branches of the university, under democratic, civilian leadership and without a military or paramilitary presence;

Guarantee the safety of personnel working in rural health services, and to replace the mobile health units destroyed during the conflict;

Lift any import restrictions on medicinals and medical supplies designated for relief agencies.

The International Committee of the Red Cross to—

Immediately appoint a permanent medical representative to assess the current situation;

Establish a presence in all hospitals to insure neutrality;

Organize modern blood-banking facilities accessible to all Salvadorans;

Set up safe facilities for the treatment of the wounded.

International relief organizations to—

Send medicinals and other medical supplies to refugee camps and health facilities, to be distributed through appropriate private relief organizations.

The United Nations to—

Dispatch a High Commission to promptly evaluate the needs of displaced persons for food, shelter, clothing and medical services.

The Organization of American States to—

Investigate violations of the neutrality of hospital and health services.

Professional organizations to—

Visit El Salvador to continue the assessment of the situation in the health field and in other areas of society.

VIOLENCE TO HEALTH WORKERS

From the time of the October 1979 coup, death squads and uniformed forces have repeatedly entered hospitals and clinics and shot down patients, doctors, nurses and medical students in cold blood. These assassinations are frequently preceded by the cruelest forms of dismemberment and brutality. At least 9 physicians, 7 medical students and 1 nurse have been killed since the coup. Many other health personnel have also been victims of violence and harassment. Table 1 lists in chronological order armed incursions in health institutions with patients and health workers murdered. Table 2 lists the names of physicians who were assassinated or, in one instance, kidnapped and jailed. Two episodes are presented in more detail:

On May 15th, Drs. Miguel Angel Garcia and Carlos Ernesto Alfaro Rodriguez were kidnapped by armed men from a hospital in Cojutepeque where they were performing an operation. Both doctors were later found with clear evidence of torture. One corpse had multiple lacerations, a depressed skull fracture and evidence of strangulation. The other victim suffered a penetrating wound of the neck cutting the spinal cord at a high cervical level. He was found alive but never regained consciousness. Their deaths precipitated a work stoppage by health workers across the nation, to be described later in this report.

A health worker told this Commission of a slaughter which occurred in late June in the vicinity of Santa Ana. While conducting a routine, sweeping search for "oppositionists," military forces entered the house of Dr. Montes and his wife, a nurse. Two medical students (one named Tonativ Ramos) and two relatives were visiting the Montes' at the time the military appeared. Hearing a commotion, another young physician who lived nearby, Dr. Matamoros, went to the house, too. Four hours later and after the soldiers had departed, our informant felt it safe to enter the house. He found all seven killed by shots in the head, apparently with a high-power weapon. "They had their heads nearly blown away," he reported. The reason for the massacre was that an ordinary examining table and small amount of anesthesia material had been found. The military presumed that they had discovered a clandestine clinic for the treatment of guerrillas.

The brutality involved in the killings of health workers and patients and the accompanying torture suggest that this is a deliberate tactic aimed at striking terror into the hearts of others. Victims have been decapitated, emasculated or found with the initials "EM," which stands for Esquadron de la Muerte (Death Squad), in their flesh. Official forensic medical reports document these atrocities.

The outcome—no doubt intended—of this pattern of killings and torture on the part of military and paramilitary groups is that health workers are afraid to render services to patients who are, or could conceivably be considered, "oppositionists," even if this means merely being a member of one of the numerous, *legal* popular organizations. The risk of swift, brutal and fatal reprisal means that most health care professionals will necessarily have second thoughts about which patients they will treat. They are, moreover, aware that the government has not taken effective steps to identify or prosecute the killers. Not even the Minister of Health or Dr. Jose Ramon Avalos, a physician member of the Junta, could promise that the culprits would be apprehended and punished. This intimidation makes it inevitable that some patients needing surgical or medical attention will not receive it.

Chronological list of armed incursions in medical centers

January 1980. Manuel Rodas, a social worker, was wounded during his capture and brought before a judge. The judge ordered his admission to the Usulutan Hospital for medical treatment, under guard by officers from a penal center. A few days later, he was murdered in the hospital.

February 1980. On February 5th, Rubenia Brizuela, a peasant woman, was machinegunned at Settlement No. 1 of Cerron Grande, a rural community. After her admission to the hospital in Chalatenango, she was murdered.

On February 12th, combined forces from the army mounted an operation throughout the Hospital Rosales, including the intensive care ward. They were searching for supposed casualties from a "popular organization" which had mounted a demonstration earlier in the day.

March 1980. Throughout this month, the San Juan De Dios Hospital in San Miguel was besieged daily by paramilitary groups which intimidated and terrorized the medical and paramedical personnel.

April 1980. There were repeated incursions into the Usulutan Hospital. On one occasion, a peasant, a member of a "popular organization," was murdered in the operating room.

On April 18th, Angel Erasmo Figueroa, a patient in the San Rafael Hospital in Santa Tecla, was murdered. He had been shot earlier the same day and was recovering from surgery.

While on the operating table of the Rosales Hospital, Ramon Pascuino-Castro Argueta was murdered. This occurred on April 27th.

May 1980. On May 1, Victor Alfredo Gonzales and Nelson Flores Duenas, both patients, were murdered in the operating room of an emergency center (a private care facility).

On May 8, in the Third Men's Surgical Ward of Rosales Hospital, a peasant from San Jose Cancasque, Chalatenango, was murdered. His name was Hector Lemus Rosa.

On May 21, Leonez Menendez Quiroga, a Guatemalen national, was kidnapped from the emergency room of Rosales Hospital. He was former chairman of the Faculty of Letters of the University of Central America and editor of the university magazine, Abra.

On May 26, after being seriously wounded by uniformed officers earlier that day, Candelario Portillo Calderon was executed in the operating room of Usulutan Hospital while receiving treatment for his wounds.

On May 27, in the operating room of San Juan de Dios Hospital in San Miguel, Claudio Arrellana Chacon was shot to death. He had been hospitalized earlier that day with serious wounds inflicted by heavily armed men dressed in civilian clothing.

The murders of health personnel were acknowledged by all groupings on the political scene including the Government. Nor was it alleged that these acts of violence were the consequence of political activity on the part of health workers. The Commission concluded that violence was directed against physicians and other health personnel simply because they were fulfilling their ethical responsibility to treat the sick and wounded.

In addition, the Commission heard reports of intimidation against members of the medical profession. Newspapers and television publicized the names of the leaders of the National Committee for the Defense of Patients, Workers and Health Institutions at the time of the doctors' work stoppage in an obvious bid to bring retaliations against them. The Board of the National Medical Association (Colegio Medico) resigned as a group to protest the threats made against

Board members when it voted to support the medical strike action.

These threats and the generally high level of violence and political turmoil have proved demoralizing to physicians and have led to the exodus of many highly qualified and otherwise devoted health professionals. A former official of the Medical Society said that most of his medical school graduating class had fled the country. After receiving threats against the lives of his family and himself, former Minister of Health, Dr. Robert Badilla, emigrated, as did Dr. Hector Silva, former Director of the Eastern Health Region. A country as small and poor as El Salvador can ill afford this loss of experienced professionals.

VIOLATIONS OF THE NEUTRALITY OF HEALTH INSTITUTIONS

There is a reign of terror in the health facilities of El Salvador. The Commission was told that there is virtually no hospital or clinic which has escaped the intrusions of armed men. (See Table 1). The following are some typical examples:

At San Vicente Hospital, members of the armed forces in civilian clothes continually appear and fire their weapons, endangering patients and health workers.

At the out-patient clinic in Ciudad Barrios in late May, the line of patients awaiting care was machine-gunned, leaving three patients dead.

On May 23rd, army troops searched the medical care center of the SSI (Social Service Institute). Two days later, soldiers invaded the Central Hospital of the SSI.

The Commission was told that spies are posted in hospitals who pass information concerning admissions and ward assignments to military and paramilitary groups. Later the hospitals are invaded and selected patients are assassinated on the spot or kidnapped and later found dead. Usually the motives for these killings and the identities of the assassins are not known but the National Guard has been clearly identified on occasion. Patients who enter hospitals with bullet wounds are especially vulnerable—even if they were wounded by chance and are politically uninvolved. A medical student working for the El Salvador National Red Cross ambulance service revealed that they were specifically told not to transport persons with bullet wounds because it was too dangerous for the ambulance personnel.

In sum, testimony from all sources indicated that almost every government hospital has experienced armed invasion and the violation of neutrality normally accorded medical facilities. Aside from government officials and the U.S. Ambassador, all sources vigorously urged that U.S. military aid be stopped forthwith. It was the strongly-held belief of health and relief workers that U.S. military aid finds its way into the hands of those who invade hospitals and terrorize displaced persons, and that this aid aggravates rather than alleviates repression in health institutions.

THE DOCTOR'S WORK STOPPAGE

On May 21st a work stoppage was called by the newly formed National Committee for the Defense of Patients, Workers and Health Institutions. Only emergency and urgent medical services were provided. The National Committee included individuals and organizations from all areas of the Salvadoran health system. The strike was joined by the majority of the nation's physicians and lasted more than a month. It was called off only after the Junta pledged to protect patients and health workers.

How did this remarkable action of defense come about? It had become increasingly evident to the medical community that the continual and escalating toll of patients, doctors and other health workers called for a unified protest action. Medical services could not be rendered under the surveillance of armed men. The National Committee was organized to include doctors in the social services, rural areas, at the national medical center and in regional hospitals. Its membership of over 8,500 included practicing physicians, faculty at the Medical School, nurses, interns and residents, and medical students.

The strike was precipitated by the torture and assassination on May 15th of social service doctors Carlos Alfaro and Miguel Garcia. Strike demands were formulated. The principal demands of the National Committee were:

"Guarantee of the physical and moral integrity of patients and all health workers."

"Recognition of the right and obligation of all health workers to give professional and technical assistance to all people on demand."

"Recognition and guarantee of the inviolability of health establishment."

"Guarantee of non-militarization of hospital centers."

The National Committee called for a "permanent international commission" to oversee the implementation of these demands in partnership with the National Committee, and asked that it include representations of the United Nations, Amnesty International and the International Red Cross. It also urged the re-organization of the public health system to insure medical care for all the people of El Salvador.

Physicians assassinated

October 22, 1979 Dr. Elias Vargas murdered on the Army Boulevard by army troops.

January 5, 1980 Dr. Martin Espinoza, a psychiatrist, machine gunned in his private clinic in San Salvador.

April 1980 Dr. Fausto Cisneros murdered in San Miguel.

May 8, 1980 Dr. Nicholas Rodriguez Palaceos murdered in the hamlet of Apancoyo.

May 15, 1980 Drs. Miguel Angel Garcia and Carlos Ernesto Alfaro Rodriguez tortured extensively in Cojutepeque. Dr. Alfaro was found dead. Dr. Garcia was found alive but unconscious and died later.

May 24, 1980 Calixto Benitez, killed in San Miguel.

June 21, 1980 Dr. David Hernandez Sanchez, shot in his clinic in Ahvavhapan.

June 1980 Dr. Montes, his wife who was a nurse, Dr. Matamoros, Tonativ Ramos and another medical student killed in Santa Ana.

During the strike, the leaders were harassed. They received threatening phone calls at home. The names of so-called subversive doctors were published in the newspapers and presented on television, inviting reprisal.

After the Junta had promised to protect patients and health workers (without, however, taking any responsibility for the military actions which had occurred), the National Committee ended the strike in late June. The strike was successful in drawing attention to violations of medical neutrality and accomplished its major goal.

MEDICAL SUPPLIES AND BLOOD

The Government of El Salvador maintains strict vigilance over the importation of medicines, surgical equipment and other supplies. As a consequence, relief organizations have expressed concern about obtaining necessary medicinals. Some health practitioners are unable to obtain ordinary equipment and supplies. Thus the Government's restrictions aggravate the deterioration of the health care delivery system.

Like many under-developed countries, El Salvador does not have a modern blood bank or community-wide blood donation system. When patients need blood, they must depend on donations from family and friends at the time of need. Recently the little extra blood collected in the central hospitals of San Salvador has been taken to, and stored in, the military hospital on the outskirts of the city. This hospital is administered directly by the Defense Ministry rather than the Ministry of Health. Release of the stored blood is under the control of the military hospital authorities. There is, under the present political circumstances, considerable reluctance on the part of civilian facilities to request this blood.

There is, moreover, considerable hesitancy on the part of potential donors to identify themselves as relatives of, or in any way associated with, any wounded person. In effect, the Government maintains a stranglehold on blood availability. Many of the wounded therefore do not have access to blood when a transfusion is necessary.

In the Commission's discussion with representatives of the International Red Cross, the Minister of Health, Dr. Jose Ramon Avalos of the Junta, and the U.S. Ambassador, there was a difference of opinion as to whether a new building is needed to house blood facilities but no disagreement that El Salvador needs to increase its capacity to collect, process, store and transport blood. The International Red Cross would consider acting as a coordinating agency only if absolute neutrality is guaranteed.

THE CLOSING OF THE MEDICAL SCHOOL

On June 19th governmental troops entered the grounds and buildings of the El Salvador National University and closed the university. This entailed the closing of El Salvador's only medical school. From the standpoint of health care delivery, this has disastrous immediate and long-range effects as virtually all physicians in the rural areas are drawn from medical practitioners in their eighth or final "social service year." Moreover, the Medical School is the only training site for most non-physician health workers. There are 4,500 students at the Medical School of whom approximately 40% are working for degrees other than the M.D.

The 1972 military intervention in the El Salvador National University had an important impact on the Medical School. The military forced out many of the most scientifically able and dedicated faculty in its effort to weed out political progressives. These physicians emigrated to Venezuela, Costa Rica, the U.S.A. and Great Britain. For example, Salvador Enrique-Moncada, who is currently the Research Director of the Welcome Foundation in London and a Nobel Prize nominee, was forced to leave El Salvador after the government's take-over of the Medical School. After the take-over, faculty spent less time in teaching students, public health was diminished as a curriculum area, and the quality of education deteriorated. Because of this historical precedent, the present closing of the University is viewed with alarm; it is feared that the quality of medical education will suffer further setbacks when the school is eventually reopened.

HEALTH IN RURAL AREAS

Although this Commission spent all its time in San Salvador because of security considerations, it gathered information from health professionals who worked in rural areas and refugees who recently had fled the countryside. Small health centers and mobile units, under governmental auspices, represent the only health resources in most rural areas. As noted above, the closing of the Medical School meant the withdrawal of "social service year" practitioners who provide the bulk of care. Many other physicians providing rural care have left their posts because of threats and kidnappings. Mobile health units have been destroyed and drugs stolen. The Minister of Health, who is responsible for rural medicine, acknowledged the demoralization of his medical personnel. Some services have had to be closed down. He held the Left responsible for this situation and saw it as part of the Left's effort to

discredit the Government's agrarian reform program.

The endemic violence in the nation coupled with the closing down of the Medical School have seriously undermined health care for El Salvador's predominantly rural, civilian population. Even prior to the current civil strife, undernourishment was widely considered the leading health problem facing El Salvador. It was estimated that 75 percent of children less than 5 years-of-age suffer malnutrition. Crop burnings have intensified the food shortages. Thus the curtailment of medical services in the countryside could not have happened at a worse time. A rise in rates of infant mortality, childhood infections and parasitic disease can be anticipated.

REFUGEES

Although governmental officials were loathe to acknowledge the existence of refugees, the Commission was readily able to visit a refugee camp on church grounds within the capitol city which contained over 1,000 persons. It was said to be one of five or six such camps in San Salvador. The refugees are peasants who fled the shootings and burnings in the countryside. The refugees in this camp were predominantly very young children and women.

In the refugee site visited by the Commission, food, water, bedding and medical care were in critically short supply. Outbreaks of diarrhea, especially in the children, were compounded by inadequate water supplies and sanitary facilities. Children with distended bellies and lice were seen. The refugees slept in an open yard exposed to the elements, or beneath a veranda.

The fear of the refugees and their grief were palpable. Their movements were slowed down. Even as they struggled to meet their minimal survival needs, they dared not leave the sites provided by the churches for fear of further retaliation by military forces. They were therefore unable to seek out needed medical services. And so the violence which plagues El Salvador once again interfered with access to health care.

Appendix 1

In its two-day visit to San Salvador, the Commission interviewed almost 50 individuals who work in the health and relief fields. Among the governmental officials interviewed were Dr. Jose Ramon Avalos, member of the Junta and a surgeon; Dr. Rudolfo Giron Flores, the newly appointed Minister of Health, and his deputy, Dr. Gonzalo Beltran Castro; U.S. Ambassador Robert White and the Acting Political Officer. Mr. Samual Bartlett. The Commission also met with the Executive Committee of the Democratic Revolutionary Front, the opposition coalition. A lengthy meeting was held with 12 representatives of most of the medical and health worker organizations including the former president of the Colegio Medico de El Salvador (National Medical Association); the Secretary of the Faculty of Medicine of the University of El Salvador; the general secretary of the newly formed Union of Professionals and Health Workers; and members of the Medical Student Society. The Commission met Bishop Rivera y Damas and had a full discussion with a member of his staff, Father Uritia. Discussions were held with four social service and relief agencies. Finally, the Commission visited a camp for displaced persons in San Salvador and spoke with several of the refugees. The Commission limited its visit to San Salvador because of time limitations and security considerations.

The five members of the Commission were:

Sally Guttmacher, PhD, assistant Professor, Columbia University School of Public Health, and Chairperson of the APHA Task Force on International Human Rights;

Frances Hubbard, BS, Associate Director, field education, Sophie Davis School of Biomedical Education at City College of the City University of New York (CUNY), and former vice president, National Union of Hospital and Health Care Employees, District 1199;

Walter Lear, MD, public health physician, President of The Physicians Forum, and President, Institute of Social Medicine and Community Health;

Leonard Sagan, MD, researcher in occupational health, internist, and fellow of the American College of Physicians; and

Arthur Warner, MD, pediatrician, fellow of APHA, and representative of the American Friends Service Committee.

MINNESOTA FAMILY BUSINESS COUNCIL

● Mr. DURENBERGER. Mr. President, 200 years ago, virtually all businesses were family business. But like many other American traditions, this changed as the Nation grew, and economic relationships become more complex. Today, the second or third generation business is a rare exception.

In Minnesota, a group of young family business men and women have formed an organization to promote the family business concept, and address its special problems. Known formally as the Minnesota Family Business Council—and informally as the SOB's (Sons of Boss's)—the group has amassed a remarkable record of activity in a short period of time. An article in the Minneapolis Star focuses on the group's accomplishments, and I hope all my colleagues will take a moment to examine that story and its special message. I ask that the article be printed in its entirety in the RECORD.

The article is as follows:

BOSS'S KID: WHEN IT'S ALL IN FAMILY THEY INHERIT PROBLEMS

(By Judith Willis)

Bob White went to law school with every intention of practicing law as a career. Marcia Bystrom worked in social services after college. And John Hey went into sales and marketing for Campbell Soup.

But the lure of the family business was strong and all three eventually became employees of companies with names that matched their own.

White, 31, is president of Hubert W. White Inc., the third generation of his family to run their men's clothing stores.

Bystrom, 35, handles internal operations for Bystrom Brothers Inc., a screw machine company found by her father and his three brothers 30 years ago.

And Hey, 34, is vice president of D.C. Hey Co. Inc., a distributor of office copying equipment started by his father in 1946.

All are more than satisfied with their choices. But they have not found an entirely soft life as the boss's son or daughter.

That's why they are active in the Minnesota Family Business Council, an organization founded by Hey in 1975 as the Sons of Bosses—the SOB acronym was definitely intended but discarded later when both membership and goals broadened.

The basic membership requirement is that a person be a full-time employee of a family-held or family-controlled business and be related to the owner through birth or marriage. The entrepreneur is not eligible for membership, but children, grandchildren, nieces, nephews, sons-in-law and daughters-in-law are.

The council is designed to help the individual member survive in the family business and to help the family business survive in society.

Its programs deal with personal problems such as: If the boss gets mad at you for losing an account, does he stay mad when he comes to dinner that night as your father? It also explores professional issues: What kind of estate planning can be done to keep the business in the family when the founder dies?

"You get lots of support from the other members," said Bystrom, the only woman in the council's membership of 100. "You just mention a problem you're having and everybody else immediately laughs because they know just what you're talking about. There's a real camaraderie there."

That kind of moral support is vital to members, said White, who is president of the council. Equally important, he thinks, is the group's emphasis on influencing legislation that affects small business in general and family business in particular.

His company was started in 1915 by his grandfather, Hubert W. White. His father, also named Hubert, is still active in the business, and his brother, Gregg, 27, manages one of the three stores.

"Most family businesses are small, with common problems like creation of capital and finding talented people who will stay with you," White said.

"We have an anti-business climate in Minnesota that is particularly difficult for the small business," he said. "We have to make it clear that we (family businesses) are in by no means the same situation as a General Motors. Too often, we get lumped in with much bigger, much different companies as 'business' in general, and we suffer as a result."

NEED TO JOIN TOGETHER

The Minnesota council is the largest chapter in the National Family Business Council, a 2,000-member group with aims similar to the state organization. Hey was president of the national council last year and is a member of its board.

"Our national membership is still small, but there is such a serious need for family business people to join together that I think we will grow dramatically in the next 10 years," Hey said.

"We must work together if our businesses are to survive in the face of increasing government regulation, punitive estate tax law systems and a general psychology in legislatures of equalization, where we take from the haves and give to the have-nots. We have to remember that if in the process of taking from the people who have, we destroy the system that produces what they have everyone will lose," Hey said.

The national group would like President Carter to recognize the importance of family businesses to the economy by declaring a "Family Business Day." Even more, it would like Congress to pass its proposals to aid family businesses.

Its key proposal now would encourage perpetuation of the family business by giving a credit against the estate tax when family members carry on the business. Ten members of the Minnesota council lobbied their congressmen on the proposal during a recent national convention in Washington, D.C. Hey said they hope to have it introduced in January.

"The estate tax system generates less than 2 percent of the revenues generated by the federal government," he noted. "Yet look what that 2 percent of revenue does to family businesses and family farms. If we're not careful, wealth is going to be entirely concentrated in the hands of major corporations. Pretty soon, we will have the Fortune 500, and when we get to the end of the 500, that will be it for business."

On the state level, members of the Minnesota council worked for changes in the estate tax law that were passed last session and will take effect Jan. 1. "Minnesota had one of the most complex, most punitive tax systems in the country relating to inherited property of any kind," Hey said. "This at least brings it into line with other states."

He said about 55 percent of family businesses fail in the second generation and about 80 percent fail by the third generation.

"Our estimate is that only about 5 percent make it to the fourth generation continuing as a family business. Not all of this is due to the estate tax system, of course—there is a lot of infighting in some families, and poor planning often plays a part—but we feel a good part of the problem is a result of the tax system. And we think it should be as expedient under the tax system for a business to continue as to sell out."

ESTATE TAX RISKS

Jim Campbell, another founding member of the Minnesota council, is reminded of the estate tax risks whenever he thinks of his company's name. Campbell, 37, is president of the Satterlee Co., which distributes machine tools and industrial supplies. While Campbell is the third generation of his family in the business (his father is now chairman of the board), the company was not founded by Campbells.

"The original Satterlee family owned the company for quite a period of time, but eventually there was some sort of estate problem, and my grandfather bought it in the 1940s," Campbell said.

"What we try to do through our organization is to keep such an event from occurring, certainly in our own lifetimes, and hopefully for our children and their children beyond. The government is making it more and more difficult for family businesses to survive as time goes on," he said.

Bystrom, who will chair the Minnesota delegation at the White House Conference on Small Business in January, thinks that more small-business owners should be concerned with the future of their companies after they die.

"Most small businesses are family businesses," she said. "While the owners are struggling to keep their businesses alive, they very rarely take time to plan how to deal with the second generation issue. How to pass the business down will affect the majority of small businesses sometime. Too often, the option is to sell out."

Bystrom says one of her "personal crusades" is to persuade male business owners who have daughters to "stop waiting for a son-in-law to come along and start training your daughter so you can pass it on to her." Her father, one uncle, and her brother are all associated in the family business now.

"I worked in the field of social services for many years after college before coming to the family business seven years ago," she said. "Daughters just didn't go into their family business when I was growing up."

She found some difficulty gaining credibility as a woman in a traditionally all-male business and as the second generation of the family. "You feel some pressure to prove yourself as something more than the boss's daughter," Bystrom said.

CONTACT AT THE TOP

Sorting out the business and personal relationships is difficult for most relatives of bosses, Hey said. "It's a unique position to be in, to be related to the guy who runs the show. We all got our jobs not because we were best-qualified, but because we had a contact at the top level. When you come to a company with that special contact, the other employees don't necessarily relate to you the same way."

Hey's father, Don, is chairman of the company. A non-family member, Dick Carlson, is president. "We work together as a management team, and we each bring something to it. I'm younger than both the others, and I always want to do things neither one of them wants to do. But we influence each other, and the result is good for the company."

The Minnesota council often has speakers on how to handle delicate interpersonal relationships at its monthly meetings. It also hears from insurance people (life insurance often provides the liquidity that helps a family business continue after the founder's death), accountants and other management experts. It sponsors social events for members, and there is a group for wives called Women Behind Family Business.

There is a $50 initiation fee for council members and annual dues of $110. Almost all the members are from the Twin Cities area, although one member flies in for meetings from Brookings, S.D. "We do think there's a lot of potential for a group like this in smaller farming communities where there are a lot of family businesses," Hey said.●

WALTER C. SAUER: "MR. EXIMBANK"

● Mr. STEVENSON. Mr. President, a most distinguished public servant died last month: Walter C. Sauer. Known affectionately as "Mr. Eximbank," Walter Sauer completed 45 years of Federal Government service, nearly all with the Export-Import Bank, prior to his retirement earlier this year.

Mr. Sauer held just about every key position in the Eximbank during his career, serving as First Vice President and Vice Chairman of the Bank from 1962 to 1976. No one knew more about export financing, and no person did more to promote U.S. exports than Walter Sauer. His wise counsel and consummate dedication to serving the public interest were recognized by everyone who met him.

Mr. President, I ask that a statement concerning Walter Sauer's death be printed in the RECORD.

The statement follows:

WALTER C. SAUER, FORMER EXPORT-IMPORT BANK VICE CHAIRMAN, DIES

Walter C. Sauer, 75, died October 15 in Washington, D.C. He had retired from the Export-Import Bank of the United States on July 25, 1980, following 45 years of Federal Government service. On his retirement, he received the gold Distinguished Service Medal, the highest award given by the Bank.

Mr. Sauer was First Vice President and Vice Chairman of the Export-Import Bank from September 1962 until June 1976, serving as a Presidential appointee, without party affiliation, in the Administrations of four Presidents. For the past four years, he continued to serve the Bank as Special Assistant to the Board of Directors.

He began his Government career in 1934, as Counsel for the Reconstruction Finance Corporation, and soon thereafter was named Counsel for the Export-Import Bank, a post which he held until 1942. From 1942 until 1945, Mr. Sauer was on active duty as a Lieutenant Commander in the U.S. Navy. He rejoined the Bank in 1945 as Assistant General Counsel and became General Counsel in 1947. He was elected Vice President of the Bank in 1949 and held that position until 1953, when he joined the Treasury Department as Chief of the International Tax Division. In 1955, he returned to the Bank as Executive Vice President, and served in that capacity until his appointment as First Vice President and Vice Chairman.

Mr. Sauer was known worldwide for his intelligence, his experience, and his accomplishments in the field of international trade and finance. When he stepped down from the Bank's Board of Directors in 1976, his special contributions were recognized by the establishment of the Walter C. Sauer Fund at Princeton University to grant a cash prize annually to the Princeton student who writes the most creative paper on any aspect of U.S. foreign trade.

Mr. Sauer was a graduate of Princeton University and of Yale University Law School. He was a member of the District of Columbia Bar and the New Jersey Bar, and was a member of the University Club of Washington. Born in Jersey City, and raised in Dunellen, New Jersey, Mr. Sauer had made his home in Washington, D.C., since entering Government service.

He is survived by two sisters, Catherine King and Dorothy Sauer, and by a niece, Judith King. He was the son of William and Agnes Dillon Sauer, and the nephew of Dr. Ferdinand Sauer, of Jersey City, New Jersey.

The family suggests that expressions of sympathy be in the form of contributions to the Walter C. Sauer Fund, Princeton University, Princeton, New Jersey 08540.●

SENATOR ABRAHAM RIBICOFF

● Mr. METZENBAUM. Mr. President, I want to take a moment of the Senate's time to express the real sense of loss that I and so many others feel upon the retirement of Senator ABRAHAM RIBICOFF.

ABE RIBICOFF is a man to whom the word "distinguished" applies in the fullest sense.

He was a truly distinguished Governor of Connecticut.

He did an outstanding job as President Kennedy's Secretary of Health, Education, and Welfare.

And in the Senate of the United States, ABE RIBICOFF has for 18 years left the mark of his fine mind, his diligence, his commitment to principle, and his superb legislative craftsmanship upon this body's most important work.

We in the Senate know ABE RIBICOFF as a judicious man, a moderate man who carefully and responsibily evaluates the issues. We know him also as a true gentleman—a person to whom grace, kindness and courtesy are second nature.

But ABE RIBICOFF is something else—and that is a man of passionate commitment to justice and steely courage in the face of adversity. Time and again over the years, he has shown that passion and that courage. And time and again, he has shown his commitment to the simple, but profound, moral principle that every person has an obligation to give in return as much as he or she has received. ABE RIBICOFF has lived that belief, and in doing so, he has created for all of us a model of what a U.S. Senator ought to be.

I know that I speak for many millions of Americans in thanking ABE RIBICOFF for a job well and faithfully done. To him and to his lovely wife, Casey, my wife joins me in wishing them health, happiness, and every joy in the years to come.●

TRIBUTE TO HENRY BELLMON

● Mr. JOHNSTON. Mr. President, I once heard a story about HENRY BELLMON when he was serving as Oklahoma's first Republican Governor. HENRY was traveling from the State house to his farm in Noble County one weekend in order to get back and make sure things were growing right. He was reportedly in his beatup truck and moving "a little over" the speed limit when he was stopped by an overly alert State trooper. The en-

suing questions were standard trooper/stopee repartee, "OK buddy, where's the fire? Let's see your license?" et cetera. Of course, HENRY had forgotten his wallet in his city suit and thus had no identification. The trooper, understandably stern, asked: "Who'd you think you are, the Governor?" HENRY's answer, with characteristic humility, was: "Well officer, yes, I guess I am." The trooper with a keen eye for identification, and realizing the Governor was on probable "official business" offered a "Nice meeting you Governor, drive carefully."

Mr. President, this unverified story is not to intimate that HENRY BELLMON is not a recognizable figure. His highly successful political career illustrates the contrary. Instead it points to the humility of a Senator who has done great things for his State and, most importantly, his country during his tenure in the U.S. Senate. I know because I had the fortune of serving on the same three committees with him, Budget, Appropriations, and Energy. His hardworking reputation on all three have been as productive as I know his wheat fields are back in Oklahoma.

Oklahoma's gain is our loss. My concern is lessened somewhat however, by the fact that I know drivers in Oklahoma will be happy. As long as people of HENRY BELLMON's caliber live there they will always be able to keep their license plates which read "Oklahoma is OK." My very best wishes go with him.●

CARL "MAC" McNEELY

● Mr. LUGAR. Mr. President, on Sunday, November 23, the citizens of Shelbyville, Ind., lost one of their leading citizens, Mr. Carl "Mac" McNeely. A lifelong resident of Shelbyville, Mac devoted considerable time to volunteer work with a wide variety of community projects. He was an example of what one person can be and do.

After retiring from 30 years service with the Admiral Group's Shelbyville Cabinet Division of Rockwell International, Mac went on to become office manager for his two sons' Shelbyville law practice—McNeely & Sanders. Throughout this long and distinguished career, Mac McNeely served as a leader of civic activity in Shelbyville and Shelby County, becoming active in organizations such as the Shelby County Youth Center, the Shelby County Chamber of Commerce, the Shelbyville Central Schools Board, Shelbyville Lions Club, the Fraternal Order of Police, and the Masonic, Eagles and Elks Lodges.

Mac McNeely will be sorely missed by his family and the citizens of Shelbyville, although his many accomplishments will be not be forgotten. Mr. President, I ask that Mr. Carl "Mac" McNeely's obituary and an editorial from the Shelbyville News be reprinted in the RECORD at the conclusion of my remarks.

The material is as follows:

[From the Shelbyville (Ind.) News, Nov. 24, 1980]

McNEELY

Carl "Mac" Raymond McNeely, 70, 7 S. Miller St., well known retired businessman and civic leader, died at 12:10 p.m. Sunday at Heritage Manor where he had been a patient two weeks. He had been in failing health five months.

For 30 years Mr. McNeely was associated with the former Admiral Corp. plant here, which later became the Admiral Group's Shelbyville Cabinet Division of Rockwell International. He joined it as personnel manager and controller and became general manager in 1962 before retiring in 1975.

He served in the National Guard from 1930 to 1941 and attained the rank of lieutenant. Then Mr. McNeely served in the Army and Army Reserve from 1941 to 1960 and served in the Pacific Theater of Operations during World War II. He retired from military service in 1960 as a lieutenant colonel.

For the past four years, Mr. McNeely was office manager for the McNeely and Sanders law firm here.

Mr. McNeely served as a member of the Shelbyville Central Schools board two terms from 1958 to 1964. He also was a member of the First United Methodist Church's board of trustees and in 1967 was chairman of the campaign to raise funds for a new church building.

He also served as a member of the board of directors of the former Shelby County Youth Center (REC) since 1948 and became secretary-treasurer of that United Fund agency in 1953. Mr. McNeely was president of the Shelby County Chamber of Commerce in 1968–69 and received the chamber's Outstanding Citizen Award in 1965.

He was active in the Shelby County United Fund (Scuffy) for many years serving as general drive chairman in 1964 and president of the board of directors in 1965. He served on the board for several years thereafter.

Mr. McNeely was a member of the First United Methodist Church for over 50 years serving as financial secretary for many years. He belonged to the Shelbyville Lions Club, Fraternal Order of Police, and the Masonic, Eagles and Elks Lodges and he was a past exalted ruler of the latter. He also was an associate member of the Knights of Columbus.

Born July 7, 1910 in Shelbyville, a son of Wilmer and Hazel (Nelis) McNeely, on Aug. 29, 1937, he married Elizabeth J. Orebaugh, who survives.

Also surviving are two sons, J. Lee McNeely, R.R. 1, Shelbyville, and Mark W. McNeely, Shelbyville; five brothers and sisters, Mrs. Wallace (Ruth) Kolkmeier, R.R. 1, Fountaintown, John L. McNeely, Connersville, Russell E. McNeely, Harold E. McNeely and Wilmer L. McNeely, all of Shelbyville, and eight grandchildren.

Services will be at 10.30 a.m. Wednesday at the Carmony Funeral Home. Burial will be in Forest Hill Cemetery. Friends may call at the funeral home from 4–9 p.m. Tuesday. The Rev. Jack B. Haskins will officiate at the services. Memorials are requested to be in the form of contributions to the First United Methodist Church.

PARTICIPATING CITIZEN

EDITORIAL

Over a long period of years, this community has benefited greatly from what we believe to have been an unusually large number of citizens who have contributed much to the common welfare of the city and country—quite beyond the large responsibilities of their jobs and their families.

We have noted in these columns on a number of occasions that it is such people among us who help make our community a better place than it would otherwise be as a place to work, to raise families and to enjoy life in general.

Today, we'd like to mention one such person who, in our opinion, is an exemplar of the truly participating citizen.

We speak of Carl McNeely, manager of the Admiral Group's Shelbyville Cabinet Division of Rockwell International Corporation, and we single him out now as an appropriate time to recognize a few of his citizenship attributes because of the announcement of his retirement later this year.

McNeely, who joined Admiral some 30 years ago as personel manager and controller at the local plant, became general manager in 1962.

Going back quite a few years, he served in the National Guard from 1930 to 1941 and attained the rank of lieutenant. He served in the U.S. Army from 1941 to 1960 and saw World War II service in the Pacific Theater of Operations and was elevated to the rank of major. He retired from military service in 1960 as a lieutenant colonel.

This good citizen served as a member of the Shelbyville school board two terms, from 1958 to 1964. He was a member of the board of trustees of the First United Methodist Church and in 1967 was chairman of a campaign to raise funds for a new church building. He has been a member of the board of directors of the Shelby County Youth Center (REC) since 1948 and has been secretary-treasurer of that United Fund agency since 1953. He was president of the Shelby County Chamber of Commerce in 1968–69. He received the Chamber's Outstanding Citizen Award in 1965.

McNeely has been extremely active in Shelby County United Fund for many years. He served the fund-raising organization as general drive chairman in 1964, was president of the board of directors in 1965, and has served on the board for a number of years. He is a member of the Lions Club, a member and former exalted ruler of the Elks Lodge here, is a member of the Eagles and Masonic Lodges and the Fraternal Order of Police, and an associate member of the Knights of Columbus.

In these and other activities, his volunteer work with a wide variety of community projects demonstrates what one person can be and do. He is an example of the well-known saying that, "If you want to get something done, ask a busy person."

McNeely's retirement, when it becomes effective, is likely to be just a word—and we can all be grateful for that, for the community has great need for such people—now and in the future.●

TRIBUTE TO PHILIP M. KLUTZNICK

● Mr. METZENBAUM. Mr. President, I want to add my voice to the many others that are being raised today in tribute to Philip M. Klutznick, the 25th Secretary of Commerce of the United States.

Washington is a city that attracts many talented men and women. But there are very few, Mr. President, who have brought to high public office here a record of accomplishment to match that of Phil Klutznick.

Phil Klutznick is a dynamo of a man who has brought his boundless energies to bear in business, in Government, in philanthropy and in the service of the Jewish community.

As a real estate developer, Phil brought to his Chicago area a whole new suburb—Park Forest, with a population of 30,000 people—and a major downtown development in the form of Water Tower Place.

He founded and served as chief executive officer of the Urban Investment & Development Co., now a subsidiary of Aetna Life & Casualty.

Phil Klutznick has been a limited partner in Salomon Brothers, and a board member of several major financial institutions.

He has, in other words, the kinds of business credentials and accomplishments that have helped him as Secretary

of Commerce to earn the overwhelming respect of the business community.

But Phil Klutznick is more—much more—than a brilliantly successful businessman. He is a man who has always felt a deep obligation to contribute his time and talents to his community and to his country.

He served under President Franklin D. Roosevelt as a commissioner of Federal Public Housing.

During the Eisenhower administration he served on our United Nations Delegation. Subsequently, under President Kennedy, he returned to the U.N. as a principal deputy to Ambassador Adlai Stevenson.

President Ford named Phil Klutznick to the President's Advisory Committee on Indochina Refugees.

And President Carter, of course, gave to him the extraordinary distinction of a seat in the Cabinet.

Phil Klutznick's eminence in business and his long history of service in Government are truly impressive. But in drawing a portrait of this remarkable man, we cannot forget another of his great passions—and that is his unselfish devotion to the Jewish community.

Phil Klutznick has been president of the World Jewish Congress.

He gave of his time and talent to chair the Institute of Jewish Policy Planning. And he has had the rare distinction of serving as international president of B'nai B'rith, a job in which he made his name synonymous with distinguished leadership.

Mr. President, my personal friendship with Phil and Ethel Klutznick goes back for many years. And as they leave the Nation's Capital and return to their great city of Chicago, they carry with them the warmest best wishes from all of the Metzenbaum family for a future filled with the kind of happiness that they have worked so hard to bring to others.●

THE AFRICAN TRIP OF NANCY HEMENWAY—TAPESTRY ARTIST

● Mr. PELL. Mr. President, Nancy Hemenway, an accomplished tapestry artist from the District of Columbia, recently returned from a fascinating official trip to Africa, where she represented the National Endowment for the Arts and the International Communication Agency. She was, in fact, the first artist to visit Africa under a new joint agency program that is intended to bring our own unique American arts and crafts to the attention of an international audience. She presented lectures and workshops from Benin in West Africa across the continent to Madagascar in the Indian Ocean.

Ms. Hemenway has written an engrossing account of her travels, which very tellingly conveys how art is an international language that bridges all cultural and ideological gaps. I commend her article to my colleagues.

The article is as follows:

AFRICAN TRIP OF NANCY HEMENWAY—TAPESTRY ARTIST

(By Nancy Hemenway)

Art has a new dimension. It no longer only "fills a space in a beautiful way" as Georgia O'Keefe has suggested. On my recent trip to Africa for the National Endowment for the Arts and the International Communications Agency I have learned that art has economic and political impact as well.

I flew to Africa on October 11th, bags bulging with large wool tapestries, a long case of poles on which to hang them tucked under my arm, and my own projection machine with slides. My handbag was full of needles for yarn embroidery and extra pairs of scissers for the workshops I planned to give as I traveled from Benin in West Africa through three southern countries and ending in Madagascar on the Indian Ocean.

My tapestries were from a series called Textures of Our Earth that had recently been exhibited in four major museums in the United States. The subject matter was appropriate as I was to discover that the artists and artisans I visited in Africa were all using motifs of their own countryside. The herds of goats, their round thatched houses, the trees and even the more exotic elements in their nature world of tropical birds and lions were all represented.

As the first artist to visit under a new program to share U.S. arts and crafts with Africa I lectured and gave workshops to applique makers in Abomey, Benin; to designers and weavers of mohair rugs and tapestries in Lesotho; to teacher trainees, weavers and mohair tapestry makers in Botswana and Swaziland; and to artisans in silk weaving, tie-dying and rug making in the exotic island country of Madagascar.

Everywhere I was to discover that handicraft industries have great economic importance. As many men as women are involved. Their eagerness to learn new techniques of sewing and fresh artistic approaches to the subjects that they have chosen for their tapestries and rugs made workshops lively and useful.

My first stop was in Benin, where I was driven eighty-five miles inland to the ancient capital of the Kingdom of Dahomey. Here in the ruins of the palace of Abomey, made famous by the Amazons, I found that the eighteen applique makers were all men. They welcomed me with an exhibition of their native dances in which they all participated, with strong thrusting movements of their bodies, to the rhythm of tom-toms and their brightly draped bodies creating a scene of sharp contrast and power. I quickly found my pen and drew gesture drawings of their dances. One small boy doubled at the waist clapped and twirled like a mating bird, shaking its wings. For the next two days I sat on grass mats, under a tin roof at 100 degree temperatures with the applique makers of Abomey as we fashioned together a tapestry of their dance. It had been many years since they had used the human figure in their appliques, and never had they depicted their dance.

Their economic need demanded that they find fresh images and learn new embroidery stitches in order to keep their ancient art alive. I also bought from them a large tapestry to present to the African Museum here in Washington and to encourage fresh interest in their art. I taught them to look at the trees in their own palace courtyard and to see the relationship of one object to another to help them create a sense of story in their tapestry making.

Politically, Benin is presently a Marxist-Leninist country. I am the first American in some time to be officially invited to visit. Each day I was accompanied by a member of the cultural committee of the People's Republic of Benin to the palace courtyard of Abomey. On the final day as we presented our tapestry to the government, the governor of the province, the mayor of Abomey and local representatives from the Ministry of Culture took part. They all came forward to shake my hand cordially and ask for more exchanges with my country. The leader of the applique makers, himself a doctrinaire member of the party gave a warm speech of appreciation. In turn I spoke briefly in French and said with sincere feeling to my fellow embroiderers, "Vous êtes mes amis por toute ma vie."

Lesotho, the second country on my schedule was reached after three days of travel with stops in Lagos, Nairobi and Johannesburg, to make air connections to the capital of Maseru. I was happy to land in this small mountainous country and to hang my tapestries in the libarary of the U.S. Cultural Center. It is on the main street of the capital at the center of the business and cultural life of the country.

My first afternoon, I visited with Gillian Gage at her Setsoto workshop in the hills above Maseru. Teyateyaneng is a famous handicraft center for rugs and tapestries and we drove through the picturesque sheep grazing country that we were to see pictured in their art work. Using a frame loom and their fingers as shuttles, the women embroider by hand, through the taut warp, their handsome mohair motifs. Later I was to visit four other workshops, to see some traditional loom weaving and a variety of spinning operations for the long soft mohair fiber that is a trademark of Lesotho.

In the Cultural Center in Maseru, we had an art "happening". Although many of the artist spoke only their regional dialect, we learned each other's names and managed with interpreting to share our interests for two days. I invited them all to go out-of-doors into the near-by park to draw the landscape of their sharply peaked mountains and the tall poplars sheltering their small round homes. Painting and drawing in nature was an entirely new idea and they suddenly began to understand perspective. They saw for the first time that trees near at hand loom larger than the distant mountains. After our outdoor session we hung all the drawings along the walls of the library among my tapestries. Other artists came in to join us and several tapestry makers also brought their work to make a true celebration of art. The Queen of Lesotho heard of our symposium and came to have tea with us the last afternoon. She was delighted at the enthusiasm and fresh energy she found and thanked me for coming.

At a final session, I asked each participant to speak about our workshop and what had most interested him or her. Several spoke of beginning to understand perspective, others about drawing directly from nature as an exciting new idea, and learning for the first time that good composition often is not cluttered with objects. The idea of selection in subject matter was new.

They ended by singing me a song that said in their dialect, "Oh Nancy, we are glad you have come."

They have asked the cultural center to provide them with weekly outdoor classes if possible. It would be a tremendous boost to their tapestry designs which remain somewhat static and primitive. They understand that their current market is limited and are eager for fresh approaches.

From Lesotho I flew back to Johannesburg and drove with my husband across the Transvaal to Gabarone, the capitals of Botswana. The first morning we drove through parched fields to the village of Odi, famous for its tapestries in wool. Taught originally by a Swedish couple, the artisans build their

tapestries around folklore and sometimes around stories they hear over the radio. Like the weavers of Lesotho they use a frame loom and weave the subtle colors into the warp with their fingers. Their use of color is particularly fine, due partly to the clear light of the Botswana plains.

In the afternoon the weavers and teachers and teacher trainees all came to the modern Fine Arts Museum to see my tapestries and learn about my own tapestry art. Together we tried some of the techniques that I have developed. I showed them how to do a large tapestry using just the motif of lichen as it grows on rocks and the use of a single figure to fill a whole canvas.

Vicky Gochani, an authority on art and culture in Botswana, and I drove together to the town of Lobatsi where I held a day's workshop for the teacher's training college. At a blackboard I outlined the rudiments of drawing and again took my pupils out-of-doors to draw. The Director of Education for the province and the head of the Teacher's College stayed to draw with us. I found out later that they asked if I could come back for two years!

Lobatsi also has a weaving project run by Ingeborg Vaagen of Norway. At her workshop they are building a large factory to process the entire production of karakul wool, native to Botswana. This amounts to 60,000 pounds a year and will represent a major export for Botswana.

Ingeborg drove me to her small blue and white cottage. Over cheese and an omelet we talked about markets and quality control. I put her in touch with other weavers of karakul in southern Africa.

The question of better design and marketing are uppermost in every country that I visited. Without economic success, no project can survive. My experience in this same field in Bolivia and Mexico, where I have established handicraft centers, was extremely useful. Many of the problems are similar.

Swaziland was my last stop before I flew east to Madagascar. We drove straight across the northern bulge of South Africa into the shrouded fog-covered hills of Swaziland, winding through the mountains, occasionally passing large herds of sheep and catching glimpses of the tips of the loblolly pines. Swaziland is a verdant carpet of blues and greens, of open fields and man-made forests. Village women still wear long skirted dresses of softened hide with the red cotton mahiya draped across the shoulder.

My first evening in Mabane, several tapestry artists in their native dress were part of a distinguished group who came to see my tapestries and to share avidly my lecture on the art of wool embroidery. Watching them feel the textures and trace the embroidery stitches seemed to communicate exactly what I was trying to achieve in my three dimensional art form. Our different cultural backgrounds found a miraculous unity. We instinctively came close to each other through our art.

Early the next morning I visited Pauline Woodhall at Mantenga Craft in the valley and talked with Thoko, who had been at my lecture the evening before. Her handsome handlooped tapestries in silk and cotton on wool were the most beautiful art that I saw in my African adventure. They had innate sophistication. I bought a large piece with the hope that I may help her arrange a major show in the United States. She is a natural artist, springing without any formal training. Under the sheltering wing of Pauline Woodhall, Thoko is able to pursue her art at will.

I traveled into the mountains, left my bag at a small canary yellow inn in the clouds and proceeded to Ntfonjeni to a center for Women in Development. So many gathered for my workshop that we could scarcely move. I joined with them in a song and a simple dance reminiscent of the conga chains of the 1940s. Many of the women had suckling babies strapped to their waists. In the brief time we had together we embroidered and drew outdoors, looking at the peaks and hollows of their mountain landscape, like soft velvet pillows tossed into a variety of shapes. One woman showed me her drawing and confessed shyly that she had never drawn before, or looked at the curve of her mountains. Her eagerness to learn was the spirit I found everywhere.

Higher up in the Swazi hills, at Pigg's Peak, I found Coral Stevens and her daughter Jane. Their weaving studio with almost a hundred workers spins and weaves in delicate colors of silky mohair, the most beautiful rugs and yardage. For five hours we talked about color and texture, and I ran my fingers through soft spun fabrics as subtle as a spider's web. In their long diningroom we drank tea and ate thin wafer cookies and I presented my slide lecture. Still caught in the excitement of the visit, I pulled out all my tapestries and we hung the pale Chrysanthemum Shell before their western window looking out to the misty hills that Mr. Robert Stevens had first planted when he came home to Swaziland thirty years ago. The texture of the garden and the valleys seemed to pull in an unbroken sweep across their doorstep and into the looms to make the beautiful fabric. I knew instinctively that this is a rare source for my own tapestry work.

Madagascar, reached by inevitable detours to Malawi and Tanzania, was my last stop. The low bush country was replaced by terraced rice paddies and tall Victorian brick houses clinging to the hills. Again the jacaranda in bloom were the lavender halo and carpet for our visit. The Cultural Center, a large airy building, was perfect for a formal display of my tapestries. A capacity crowd dominated by government officials and craftsmen came the first morning to my lecture in French. Their anti-U.S. policy was nowhere in evidence. It was a cordial exchange and they invited me to visit the Ministry of Culture the next morning for an official visit. After my lecture we walked through the gallery together sharing our interest in design and texture. After lunch, I gathered with students and artisans at large tables to teach them the new techniques that we found in my tapestries. I had visited embroidery centers and the Zoma (Friday market) to learn their own styles in order to build on their knowledge. Using a blackboard as a central drawing board we shared ideas on design and perspective.

My final lecture to advanced English students at the Cultural Center was warm and lively. Their questions involved the philosophy of creativity and their interest in pre-Columbian cultures. Hallie Rabenarivo, head of the English teaching program, had prepared her students well.

Traveling with my art to Africa has been a giving and a learning adventure. Because of art I have been welcomed warmly, regardless of official ideology, wherever I have gone. It has been a total exchange for I have brought home many memories of their countries, some to use in my own work. I have helped them to see the beauty that stretches about them and to understand how they can express it on their canvases and enrich their own lives with the knowledge.●

PROTECTIONISM XII

● Mr. HEINZ. Mr. President, the continued increase in oil prices combined with current worldwide recession has encouraged high levels of unemployment and significant imbalance in world payments. These occurrences have prompted an increase in the proportion of world trade which has become subject to restrictive policies. Industries in many industrialized countries have intensified their demands for protection from what is considered low-cost, job-destroying imports.

Though protectionist policies are often viewed in a pejorative sense by those who advocate free trade as necessary to achieve economic efficiency, it is apparent from a recent study by the U.S. Department of Labor that this is not always the case. Entitled "Price Behavior of Products Under Import Relief" the study indicates that—

> The imposition of import relief need not have the expected inflationary consequences if the affected domestic industry is able to use the relief period to improve its technology, productivity, and price competitiveness.

The study maintains that conventional methods used to analyze import relief measures frequently ignore the possibility of increased efficiency on the affected industry, which causes a moderating effect on prices.

Focusing on the specialty steel, textile, television, and footwear industries the analysis demonstrates that "import relief can be of benefit to the injured and need not impose an undue cost on consumers in the form of price increases."

Mr. President, I ask that the study by the U.S. Department of Labor appear at this point in the RECORD.

The study follows:

U.S. DEPARTMENT OF LABOR,
Washington, D.C., October 12, 1978.

PRICE BEHAVIOR OF PRODUCTS UNDER IMPORT RELIEF STAFF STUDY

The imposition of import relief need not have the expected inflationary consequences if the affected domestic industry is able to use the relief period to improve its technology, productivity, and price competitiveness. Import relief gives a domestic industry seriously injured by imports a "breathing spell" during which it can take steps to increase efficiency and improve its competitive position. Conventional analysis of import relief typically ignores this possibility of increased efficiency on the part of the industry which will have a moderating effect upon prices.

Conventional analysis predicts that, other things equal, import restraints will cause price increases. Other things do not remain constant, however, when the industry granted relief responds, by upgrading technology, expanding investment and increasing capacity utilization. Increased competitive efforts, such as these, can result in improvements in productivity and greater domestic supply while moderating price rises.[1] This is not to argue, of course, that granting import relief will have a deflationary impact.

Past estimates of the inflationary impact of relief have overlooked the ability of firms and their workers to increase efficiency. In order to insure that informed judgments will be made, the potential for increased competitive ability needs to be considered in any decisions whether to grant import relief.

Footnotes at end of article.

Even without considering potential efficiency increases, the estimates of the inflationary impact of relief differ markedly according to the assumptions made concerning the size of key parameters. For example, in the case of footwear, the estimates of the cost to consumers ranged from a low of $194 million, International Trade Commission, to a high of $3,200 million, Council on Wage and Price Stability. Clearly, the methodology for making such estimates needs to be reexamined. One method of examination is to see what the actual price performance and adjustment efforts have been in industries granted import relief in the past.

The Bureau of International Labor Affairs has conducted such an examination of price and efficiency performance in industries currently under import relief in 1978. The study found that the manufacturing industries that have been granted escape clause relief from injurious imports over the past 26 months—specialty steel, nonrubber footwear, and color TVs—have had smaller price increases than other comparable commodities and smaller price increases since import relief was granted than in previous years. Meanwhile, the productivity increases in specialty steel were greater than the increases in the economy as a whole and greater than the increases in comparable industrial categories.

Particularly in specialty steel, the evidence suggests that the normally presumed inflationary impact of import relief can be greatly overstated, if potential efficiency increases in the temporarily protected industries are not taken into account. Although footwear and color TVs have been under relief only since mid-1977, the evidence available so far shows that those industries also have had an improved price performance and have made increased efforts to improve efficiency.

Analysis of each of the four affected industries revealed that since the imposition of import relief capacity utilization rates have risen and the industries have increased investment rates and brought in new technology with the effect of increasing efficiency and lowering costs of production. These measures have contributed to their improved price performance in the period since import relief was instituted.

A similar conclusion emerged from an analysis of the relief experience of the textile and apparel industry which has been under import controls of one form or another since 1962. In 1962, the first Long-Term Arrangement (LTA) was reached covering only cotton products. It was followed in late 1971 by several bilateral agreements covering all fibers and finally by the Multi-Fiber Arrangements (MFA) in 1974. After each of these latter two agreements there was no immediately identifiable increase in the price of textiles and apparel as had been predicted. Aggregate wholesale prices of textiles and apparel rose less quickly than wholesale prices of nondurable consumer goods in each case. In addition, productivity in the industry increased over the historical trend after the 1974 agreement.

Although it is impossible to know how prices would have behaved in the absence of import relief, the record of moderate price performances suggests that the inflationary consequences of import relief may not have been as large as expected. The performance of the specialty steel industry and the textile industry and preliminary results in the TV and footwear industries demonstrate that import relief can be of benefit to the injured and need not impose an undue cost on consumers in the form of price increases.

These results suggest that an effort should be undertaken to reexamine the methodology used in estimation of the inflationary impact of import relief. It is imperative that policymakers have better information in order to judge whether to grant import relief. Accurate estimates of the inflationary costs need to be balanced against the costs of dislocation, given the characteristics of the workers and the local labor market, and the potential of the industry to respond favorably if relief were granted. As it now stands, the estimates of the inflationary impact are inadequate because they overlook the potential positive response on the part of the industry and because the lack of a consistent methodology has led to widely varying estimates. Without more accurate estimates, policymakers will have to make relief decisions on the basis of inadequate estimates of consumer costs and, thus, inaccurate assessments of net social costs or benefits.

A detailed description of the relief experience of each of the four industries follows.

Specialty Steel, which has been under import relief since July 1976, demonstrates the positive response on the part of the industries. In 1976, wholesale prices (as measured by the average unit value of producer shipments) of all stainless steel items fell in average by 4.6 percent. Prices of alloy tool steel rose by 18.3 percent, but this was smaller than the surge in prices (26.8 percent) in 1975. In 1977, the average price increase for all stainless steel items was 3.7 percent, while prices of alloy tool steel rose by only 4.8 percent, down significantly from earlier increases.

In both cases the price increases in 1977 were smaller than during 1974 or the recession year of 1975. These smaller price increases in specialty steel were caused, in part, by the increased investment and new technology adopted by the industry. Investment increased to a record level in 1976 before declining slightly in 1977. Surveys report that expected investment in 1978 will increase by 20 percent over its 1977 level. From 1975 to 1977, the percentage of steel capacity using the more advanced AOD (Argon-Oxygen-Decarburization) process increased from 60 to 90 percent, according to a recent International Trade Commission report.[2] During the period of import relief domestic capacity utilization also increased, thus, providing increased efficiency and lower unit costs.

All of these changes served to increase worker productivity and enhance the industry's competitiveness. Output per man-hour was significantly higher in 1976 and 1977 than it had been in earlier years. (See attached table) These productivity increases of 12 and 14 percent were higher than the increases for the economy as a whole (4 percent) and higher than the increases in the steel industry as a whole (1.5 percent).

Recent data for the first two quarters of 1978 indicate that the pattern is continuing. Total stainless and alloy tool steel shipments increased by 4 percent over the same period in 1977, while output per man-hour increased by 8 percent over 1977.[3] Meanwhile, average quarterly prices increased on eight of the products surveyed, decreased on four products, were unchanged for two products, and no data were available on the other two products in the sample of sixteen. The price performance was good as the average price increase was only 4.9 percent while the average price decrease was 2.6 percent.

The moderate price rises could also have been caused by any factor which led to a decrease in the demand for the product or an increase in product supply, either domestic or imported. However, other factors which could have caused the moderate price increases were present only for some of the products. Demand slowed for several important categories but only in the fourth quarter of 1977 and has picked up again in 1978. It seems unlikely that it would have slowed the price increase substantially after only one quarter. Only in steel rod has there been a continual decline in apparent consumption. Otherwise, there did not appear to be any unusual change in imports or inventories which could have been responsible for the moderate price increases.

One interesting facet of the performance in specialty steel was that some of the quotas went unfilled during 1977. Although this could have been caused by a decrease in demand (perhaps in steel rod) or a non-binding import quota, the productivity increases in specialty steel may have been responsible for the import quotas on some of the products going unfilled in 1976 and 1977. The domestic industry expanded and obtained a larger market share without significant increase in price.

Import relief in textiles and apparel began in 1962 with the Long-Term Arrangements (LTA) which covered only cotton goods. The LTA was extended for three years in 1967 but in the meantime foreign suppliers began to shift into man-made fibers which were not covered under the LTA. The LTA was effective in limiting the flow of cotton products as imports and the import penetration ratio both declined. The wholesale price index for textile and apparel rose less quickly than the wholesale price for all industry commodities, but it is impossible to sort out the effect of the import restraint. While supply of man-made substitutes increased, or as a result of the increase, the demand for cotton textiles fell off. These influences would have had a depressing effect upon the price of cotton, textiles, and apparel.

In late 1971, however, the industry obtained, through several bilateral agreements, broader import relief covering all fibers. Relief was extended in 1974 with the Multifiber Agreement (MFA).

Economists studying the impact of the relief have given widely varying estimates of its inflationary consequences.[4] This arises in part because one does not know what would have happened in the absence of relief.

Nonetheless, since 1971, the industry has exhibited a marked increase in productivity while price rises have been moderate. For example, in 1972, the wholesale price index of textile and apparel rose by 4.2 percent compared with 3.6 percent for all consumer non-durables, but demand increased by almost 9 percent during that year. The 15 percent increase in output per employee-hour in the man-made fibers during 1972 was partially responsible for the moderate price rise.

Price rises have also been moderate and productivity increases larger since the MFA was instituted in 1974. Productivity increased by 8 percent in 1975, 6 percent in 1976, and 14 percent in 1977. Wholesale prices fell by .9 percent in 1975, rose by 7.5 percent in 1976, and by 3.9 percent in 1977. Only in 1976 did the wholesale prices of textiles and apparel exceed the wholesale price of all consumer non-durables and that occurred in a year when demand increased by over 12 percent. This record of moderate price increases can be attributed, in part, to the productivity increases in the industry. In each year after 1974 productivity in synthetic fibers increased more rapidly than overall industrial productivity. None of the estimates of the inflationary impact of relief took these productivity increases into account and, therefore, they overstated the cost to consumers.

Footnotes at end of article.

Recent price data through the first two quarters of 1978 suggest that the record of moderate price increases in textiles is continuing. While the wholesale price index for nondurable manufacturing rose by 2.9 percent during the first six months of 1978, wholesale prices in textiles increased by only 2.1 percent.

Although footwear and color TVs have been under relief since mid-1977, the preliminary evidence shows that those industries also had a record of moderate price increases.

Domestic leather footwear price increases slowed in 1977 as compared to 1976. Consumer prices of footwear rose by 4.0 percent in 1977 compared with 5.3 percent in 1976. For the whole year following the imposition of import relief, the consumer price index for footwear rose by 3.9 percent compared with the overall CPI which increased by 6.7 percent. The footwear industry has received assistance from the Federal government's program designed to modernize the industry and increase domestic production during the adjustment period by import restraints. These programs are designed to promote the vitality and competitiveness of the industry during the "breathing spell" created by the import Orderly Marketing Agreements negotiated with Korea and Taiwan, the largest exporters of footwear to the United States.

There are indications that these efforts have been successful. Although domestic production of shoes had fallen in 12 of the last 13 years, it increased by 1.9 percent in the year since relief was instituted in July 1977. Meanwhile, the Office of Science and Technology of the Department of Commerce has identified new technologies in shoe production which are just beginning to be adopted by the industry. Adoption of the new technologies can be expected to continue to moderate price increases in the future.[5]

There have been other developments in nonrubber footwear that could also have helped to moderate price increases. In particular, there was a surge in imports during the first half of 1977 and continuing into the third quarter which watered down the import relief. Still, imports in the first year of relief declined by 2.4 percent and the import penetration ratio declined slightly from 48.8 to 47.7 percent. Another factor which should have slowed the price increases, but probably only slightly, was the decline of .2 percent in U.S. demand for footwear.

In color TV, the wholesale price of television receivers fell by 5–7 percent (depending upon the model) over the period from July 1977 to June 1978. Meanwhile, domestic demand increased to record levels. These price decreases occurred while domestic production of television receivers increased and import penetration decreased. A survey by the International Trade Commission found that transactions prices of receivers fell by approximately ten percent between the fourth quarter of 1977 and the second quarter of 1978.[6] Even though RCA announced in July that it would raise retail prices, the proposed increases were not large enough to eliminate the decreases in price since 1977. Although this was the first announced price increase since 1974, the record demand could be responsible. Further, the announced increases were in suggested retail prices and not in actual transactions prices which depend upon competition and dealer sales techniques.

Although current data on the productivity and efficiency of the industry are not yet available, news accounts of the intense competition in the color TV industry have stressed substantial new investment and improved technology employed by domestic industry and the new marketing strategies of domestic suppliers. Some of that investment has been by foreign firms and may be the result of the import relief. Several foreign producers have elected to invest in the U.S. over the past twelve months. This investment, however, has been in television assembly operations which then import the components. In this way, the foreign producers can partially avoid the import relief.

Another factor which has diluted the import relief has been the increase in imports from Taiwan, Korea and Singapore which are not covered under the orderly marketing arrangement. Increased imports from these countries could, in part, have contributed to the price declines in color TV over the past twelve months. Not completely, however, as total imports fell by 5 percent.

Both the footwear and color TV industry should be closely monitored over the next several months to see if these two industries will continue to follow a trend of price moderation, as specialty steel and textiles have done, over the longer period of the import relief. If these trends continue, then the conventional wisdom on the inflationary impact of import restraints should be reexamined and refined to take account of the potential for increased efficiency on the part of industries granted relief.

Even so, more should be done to refine the esimates of the inflationary impact. The footwear case provides an excellent example of the wide divergence in the estimates of the inflationary impact even when the positive response by the industry is not taken into account. For a given import restraint, (a tariff rate quota, 40 percent 265 mm) the estimates of the inflationary impact (total cost to consumers) were $194 million (USITC), and the TPSC provided high and low estimates of $981 million and $254 million.[7] Clearly these estimates need to be improved if they are to be useful in import-relief decisions.

FOOTNOTES

[1] The potential for improved price performance under this analysis lies with domestic producers, while the price effects of import relief for U.S. consumers reflect the combined price behavior of both imported and domestically produced goods. The relative mix of imports and domestically produced goods in domestic sales will, therefore, influence the price effects in different industries.

[2] U.S. International Trade Commission, "Stainless Steel and Alloy Steel Report to the President," October 1977; No. 838.

[3] For more detail see U.S. International Trade Commission, "Stainless Steel and Alloy Tool Steel: U.S. Production, Shipments, Employment, Man-Hours, and Prices", Second Quarter 1978, Publication No. 903, August 1978.

[4] See, for example, United States GAO "Economic and Foreign Policy Effects of Voluntary Restraint Agreements on Textiles and Steel", March 1974. The report concluded that "although the quota restrictions have undoubtedly caused U.S. consumers to pay higher prices for textile . . . products, government agencies have not studied these price increases in detail nor attempted to project them. Economists overall costs estimates have ranged from very little to billions of dollars annually (p. 23)." Meanwhile, estimates varied widely even among those who favored free trade. According to the GAO, "Consumer groups and economists who support free trade estimated that the textile agreements in 1972 raised consumer prices * * *.

[5] U.S. Department of Commerce News, "Assistance to Footwear Firms Climbs under New Commerce Program", G78–26, March 1, 1978. For a more complete description of the government's program for the footwear industry and for more detailed data, see U.S. Department of Commerce, "Footwear Industry Revitalization Program: First Annual Progress Report," September 1978, (USGPO: Washington, D.C.)

[6] See, U.S. Department of Commerce, Bureau of Domestic Business Development, "Color Television Status Report", September 13, 1978, Business Confidential.

[7] Trade Policy Staff Committee, "The Non-Rubber Footwear Escape Clause Case", 77–25, March 8, 1977.●

THE WARREN G. MAGNUSON CLINICAL CENTER

● Mr. BUMPERS. Mr. President, I am pleased to cosponsor the resolution to designate the Clinical Center of the National Institutes of Health as the "Warren Grant Magnuson Clinical Center." WARREN MAGNUSON, more than any other Member of the Senate, has been responsible for making our national health research system the best in the world. Senator MAGNUSON was ahead of his time when he introduced a bill during his freshman year in the House of Representatives to create a National Cancer Institute. Then Congressman MAGNUSON was not deterred by assertions that the Federal Government should not interfere in medical research. This was only the beginning of his dedication to public health; along the way he also became one of the chief sponsors of the 1948 legislation that established the National Heart Institute. And he has done much more for the field of public health. For all these reasons, Senator MAGNUSON richly deserved the Albert Lasker Public Service Award for Leadership in Health, conferred upon him in 1973. He also deserves the recognition that this resolution brings today.

Senator MAGNUSON has not, of course, limited his involvement to the field of public health. He has been a leader in wildlife protection, in civil rights, and is often referred to as the father of public television. And for his own State, he has been instrumental in sparking its remarkable economic growth—particularly its aerospace and defense industries. From the relatively mundane matters to the emergency response to the Mount St. Helen's disaster, the people of Washington could count on WARREN MAGNUSON as an effective representative in Congress. It has been my privilege to serve with MAGGIE for years on the Appropriations Committee. We shall miss him there and on the floor of the Senate as well. He has performed well for this Nation, and I wish him Godspeed.●

CONFERENCE REPORT ON DEPARTMENT OF INTERIOR AND RELATED AGENCIES APPROPRIATION FOR FISCAL YEAR 1981

● Mr. BAUCUS. Mr. President, I am pleased to have supported the appropria-

tion measure for the Department of Interior and related agencies (H.R. 7724) as reported by the conference committee.

In particular, I congratulate House and Senate members of the conference committee for the provisions affecting the USDA Forest Service. Adequate funding for research and cooperative federal state forestry programs is essential to the well-being of the tremendous national legacy which is our woodlands. As a former member of the House Appropriations Committee, I fully appreciate the difficulty of providing adequate funding at a time of budgetary constraints.

This bill should lead to modest progress in basic forest conservation practices and in productivity from our forest lands. Under this proposal, research funding is increased but not nearly enough. This critical first step in forest management deserves greater emphasis. By the same token, the funding provided for cooperative programs with the States will foster sound conservation and management practices in our private forests.

Yet, despite the commendable efforts represented by this bill, I fear the timber sales program may be inadvertently frustrated by this legislation. Quite simply, my concern is that without roads access to our forest resources is impossible.

The bind our national forests will be in can be seen by a brief look at the funding mechanism for forest access roads. It consists of two parts.

The first part is an authorization to reduce revenue derived from timber sales when road construction is necessary. Thus, the estimated cost of building a logging road is subtracted from sales revenue when a road is needed to remove the logs.

The second element of the financing for Forest Service roads is, of course, appropriations. These funds are used for engineering and construction services for roads built by the Forest Service as well as by timber buyers.

These appropriated funds come from two sources. The first is direct appropriations and the second is the use of 10 percent of the Forest Service revenues from the prior year. These so-called 10 percent funds are only available when appropriated.

The amount of 10 percent funds available for fiscal year 1981 was estimated at $128 million. Unfortunately, this estimate was made a year ago. I say unfortunately because the estimate and the reality are far removed.

Due to the regrettable decline in lumber demand resulting from the depressed housing industry, cutting levels on the national forests are down and the volume of uncut timber under contract rose. The result is that the estimate of $128 million in 10 percent funds was overstated by more than $61 million.

This 47-percent reduction in 10 percent funds threatens effective engineering assistance for road construction needed this year and in the future. Actual construction will be hampered as well.

I hope that this serious problem will receive immediate attention in the next Congress. Funding must be restored in time for the 1981 construction season. If not, I fear that we will miss timber sale targets.

Beyond that, this situation underscores the need for enactment of a national forest investment fund. As envisioned in legislation which I introduced in this Congress, the fund will provide multiyear funding of capital investments under a well-planned schedule. Rather than the present hit-or-miss approach, this proposal would insure that the money will be available when needed.

I intend to reintroduce my bill in the next Congress and to push for its early enactment. Many forestry experts estimate that on a sound, sustained yield basis we can double the current level of harvesting in the West with wise capital investments. I believe that a national forest investment fund will go a long way toward that goal.

Commonsense, from a business and a conservation standpoint, supports the concept of identifying and acting upon wise investment opportunities in our national forests. I believe that this proposal will pay a handsome rate of return to the taxpayers.●

● Mr. KENNEDY. Mr. President, since 1973 the search for solutions to our energy problems has been conducted within a web of highly controversial issues—private against public control of energy policy, pricing and social equity, health and environmental protection, and national security. Meanwhile, a consensus has emerged among business leaders, public interest circles, and leading institutions, from Exxon and the National Association of Manufacturers, from Union of Concerned Scientists and the AFL–CIO, and from the National Academy of Science and the Harvard Business School, that energy conservation is our single most important national energy policy. This consensus is not surprising when one sees that energy conservation is one of our energy policies that is already working, involves little uncertainty about its energy and economic benefits, is regionally and socially equitable, and has little or no opposition.

Unfortunately, a consensus of understanding has not produced a commitment of national resources to energy conservation.

Federal expenditures are the soundest reflection of governmental commitment. The attached tables show by category the fiscal year 1981 budget figures. While the administration asked for a $1.024 billion conservation budget, the conference report, approved yesterday by the Senate, appropriates $162 million less than the administration requested. Although the cuts in the conservation budget are not numerically large, they will have a severe impact on conservation programs because the levels of conservation funding in each particular program are so low.

I believe that the conservation budget proposed by the administration was not aggressive enough in promoting energy conservation—our most cost effective energy alternative. That is why last year I proposed the most aggressive energy conservation proposal ever presented. One small element of that program was a proposal to increase industrial energy conservation research and development by $40 million per year. I proposed this increase because the industrial energy conservation research and development program is one of the most cost effective programs in the Federal Government. Thus, I am very disturbed by these cuts in the conservation budget.

I am happy to see that an $18 million increase in the industrial energy conservation budget is included in this bill. The industrial energy conservation budget is one of the most cost effective energy programs. This increase will mean that six to nine more Energy Analysis Diagnostic Centers and up to 40 more boiler workshops will be held. These centers and workshops save energy by assisting small and medium sized businesses to save energy and cut their energy costs.

A successful boiler workshop was held this year in Massachusetts. I am very hopeful that an Energy Analysis and Diagnostic Center will soon be established in Massachusetts that will combine the talents of the faculties of our fine universities with the energy needs of our businesses. I will do everything I can, in cooperation with the Department and the States, to reach this end.

Finally, I believe that certain changes in the industrial energy conservation budget are disturbing. I do not believe the form-coke funding should be included in the industrial conservation program. Neither DOE nor most energy experts believe that this process is an energy conservation project although many consider it a worthwhile part of the steel revitalization program.

I support steel industry revitalization, but I believe that it should be independently funded. The Government cost of this project will be over $100 million. Thus, although I believe that this project is very important, I strongly urge that it not be funded as part of the industrial conservation budget. Including in it the industrial budget effectively decreases our industrial energy conservation efforts.

Because of this budget cut, 40 boiler workshops which train small businessmen to cut oil consumption through more efficient boiler usage will not be held.

I believe that the seriousness of our energy situation demands an energy conservation commitment to energy conservation as aggressive as the commitment Congress has made to energy synthetic fuel development.

	Administration budget estimate	House committee	Senate committee	Conference committee compared to administration
BUILDINGS AND COMMUNITY SYSTEMS				
Buildings systems	$44,190,000	$36,065,000	$33,825,000	−$10,365,000
Community systems	15,550,000	14,550,000	12,550,000	−2,000,000
Urban waste	10,100,000	10,100,000	10,100,000	
Technology and consumer products	22,040,000	22,040,000	20,100,000	−1,940,000
Analysis and technology transfer	5,900,000	5,900,000	5,900,000	
Appliance standards	7,925,000	6,000,000	6,000,000	−1,925,000
Small business	750,000	750,000	750,000	
Federal energy management program	2,700,000	1,000,000	1,400,000	−1,700,000
Presidential Conservation Service	14,665,000	14,665,000	14,665,000	
Capital equipment	1,950,000	1,950,000	1,950,000	
Emergency building temperature restrictions			−1,000,000	−500,000
Program direction	6,830,000	6,830,000	6,430,000	−400,000
INDUSTRIAL				
Waste energy reduction	19,800,000	23,800,000	9,800,000	+2,850,020
Process efficiency	19,000,000	36,900,000	36,800,000	+21,094,000
Industrial cogeneration	12,000,000	18,000,000	12,000,000	+4,680,000
Implementation and commercialization	4,500,000	7,500,000	4,500,000	+2,452,200
Capital equipment	1,000,000	1,000,000	1,000,000	−72,600
Program direction	2,600,000	3,200,000	2,600,000	+349,000
TRANSPORTATION				
Vehicle propulsion R. & D	55,400,000	60,500,000	62,400,000	+12,000,000
Alternative fuels utilization	4,300,000	4,300,000	4,300,000	
Electric/hybrid vehicle program	42,100,000	32,540,000	42,100,000	−4,280,000
Transportation utilization programs	6,700,000	6,700,000	6,700,000	
Capital equipment	1,500,000	1,500,000	1,500,000	
Program direction	3,000,000	3,000,000	3,000,000	
STATE/LOCAL PROGRAMS				
Emergency energy conservation	4,072,000	2,000,000	12,000,000	+7,928,000
Energy policy and conservation grants (EPCA)		37,800,000	37,800,000	+37,800,000
Energy conservation and production grants (ECPA)		20,000,000	10,000,000	+10,000,000
Energy Extension Service		20,000,000	20,000,000	+20,000,000
Energy Management Partnership Act	126,625,000			−126,625,000
Schools and hospitals	187,500,000	187,500,000	175,500,000	−6,250,000
Weatherization	188,950,000	188,950,000	175,000,000	−6,975,000
Program direction	11,437,000	11,437,000	9,862,000	−1,575,000
MULTISECTOR				
Energy conversion technology	11,000,000	5,000,000	8,000,000	−3,000,000
Inventors program	3,400,000	3,400,000	3,400,000	
Energy impact assistance	122,000,000	42,000,000	80,000,000	−60,000,000
Appropriate technology	14,100,000	14,100,000	12,000,000	−2,100,000
Energy information campaign	50,000,000			−50,000,000
Program direction	700,000	700,000	700,000	
Total	1,024,284,000	851,677,000	853,632,000	−162,177,000

ORDER OF PROCEDURE ON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on the disposition of the cloture votes on tomorrow, in the event that neither cloture vote succeeds or, in the alternative, in the event a cloture vote achieves the necessary 60 votes or more required, that upon the disposition of the matters clotured, the Senate then proceed to the consideration of the revenue-sharing bill. This comports with the understanding that I have with Mr. BAKER and other Senators.

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

Mr. ROBERT C. BYRD. Mr President, is it clear that if neither cloture vote tomorrow achieves the necessary 60 votes that is mandated under the rule or, in the alternative, a cloture vote succeeds in receiving that 60-vote majority, that upon the disposition of the matters clotured the Senate would then go to the revenue-sharing bill?

The PRESIDING OFFICER. That is the Chair's understanding.

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

Mr. MATHIAS. Mr. President, will the distinguished majority leader yield for a question?

Mr. ROBERT C. BYRD. Yes.

Mr. MATHIAS. Mr. President, is it the majority leader's intention to call up the District of Columbia appropriation conference report this evening?

Mr. ROBERT C. BYRD. Sometime tomorrow, hopefully.

Mr. MATHIAS. Tomorrow?

Mr. ROBERT C. BYRD. Yes.

Mr. MATHIAS. Not this evening?

Mr. ROBERT C. BYRD. Not this evening. Mr. LEAHY is in a committee meeting at this time and he asked that the matter be delayed until tomorrow.

Mr. MATHIAS. I am very happy to accommodate him in that respect.

Mr. ROBERT C. BYRD. I thank the distinguished accommodating Senator who characteristically always is understanding of the plight of his colleagues.

RECESS UNTIL 9 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand recessed until tomorrow morning at 9 o'clock.

The motion was agreed to; and, at 7:06 p.m., the Senate recessed until Thursday, December 4, 1980, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate, December 3, 1980:

IN THE AIR FORCE

The following named officers for promotion in the United States Air Force, under the appropriate provisions of Chapter 839, Title 10, United States Code, as amended.

Lieutenant colonel to colonel

LINE OF THE AIR FORCE

Adams, Harold B., xxx-xx-xxxx
Adams, William E., xxx-xx-xxxx
Akley, James K., xxx-xx-xxxx
Aldrich, Fred E., xxx-xx-xxxx
Alexander, James W., xxx-xx-xxxx
Alexander, Theodore G., xxx-xx-xxxx
Allen, Robert L., xxx-xx-xxxx
Allport, Charles W., xxx-xx-xxxx
Alnwick, Kenneth J., xxx-xx-xxxx
Anderson, Edward L., xxx-xx-xxxx
Anderson, Leslie B., III, xxx-xx-xxxx
Anselmo, James J., xxx-xx-xxxx
Arbaugh, Edward D., xxx-xx-xxxx
Atkins, Benny J., xxx-xx-xxxx
Augustine, Leonard J., xxx-xx-xxxx
Austin, William R., II, xxx-xx-xxxx
Baca, Jose A., xxx-xx-xxxx
Bacheller, Burton P. C., II, xxx-xx-xxxx
Bailey, Jerry T., xxx-xx-xxxx
Bainbridge, Thomas A., xxx-xx-xxxx
Baker, James P., xxx-xx-xxxx
Ball, Willis H., III, xxx-xx-xxxx
Ballantine, George A., xxx-xx-xxxx
Barrett, Billy A., xxx-xx-xxxx
Barry, Gregory P., xxx-xx-xxxx
Bartlett, Robert R., xxx-xx-xxxx
Bartrand, Louis E., xxx-xx-xxxx
Bassett, David H., xxx-xx-xxxx
Baumann, Carl W., xxx-xx-xxxx
Bavaria, Joseph A., xxx-xx-xxxx
Bayer, Curtis K., xxx-xx-xxxx
Beck, David H., xxx-xx-xxxx
Beekman, Ralph E., xxx-xx-xxxx
Beezley, Ronnie W., xxx-xx-xxxx
Beland, Richard J., xxx-xx-xxxx
Belisle, Charles P., xxx-xx-xxxx
Berry, John S., xxx-xx-xxxx
Bethel, Howard E., xxx-xx-xxxx
Bevans, John P., xxx-xx-xxxx
Bevelhymer, Herbert L., xxx-xx-xxxx
Bishop, Charles L., xxx-xx-xxxx
Blaha, John E., xxx-xx-xxxx
Blahous, Edward G., xxx-xx-xxxx
Blaker, Philip C., xxx-xx-xxxx
Blatter, Richard W., xxx-xx-xxxx
Blazek, Miroslav F., xxx-xx-xxxx
Bliss, George W., xxx-xx-xxxx
Bobek, Andrew S., xxx-xx-xxxx
Bobick, James C., xxx-xx-xxxx
Boese, Lawrence E., xxx-xx-xxxx
Boese, Robert A., xxx-xx-xxxx
Boles, Dyek R., xxx-xx-xxxx
Boles, Robert H., xxx-xx-xxxx
Bond, Robert I., xxx-xx-xxxx
Bookout, William G., xxx-xx-xxxx
Bordeaux, John C., xxx-xx-xxxx
Bouquet, Victor H., Jr., xxx-xx-xxxx
Bower, Larry E., xxx-xx-xxxx
Bowers, Bruce G., xxx-xx-xxxx
Box, Don W., xxx-xx-xxxx
Brandt, William H., xxx-xx-xxxx
Branson, Claude L., Jr., xxx-xx-xxxx

Brawley, Horace M., xxx-xx-xxxx
Breen, Walter M., xxx-xx-xxxx
Brennan, William E., xxx-xx-xxxx
Brewer, James E., xxx-xx-xxxx
Bright, Edward G. D., xxx-xx-xxxx
Bristol, William E., xxx-xx-xxxx
Britz, William C., xxx-xx-xxxx
Brooks, John J., Jr., xxx-xx-xxxx
Brotnov, Kenneth W., xxx-xx-xxxx
Brown, Jerry E., xxx-xx-xxxx
Brown, Lloyd A., xxx-xx-xxxx
Buchan, William E., xxx-xx-xxxx
Bugeda, Richard B., xxx-xx-xxxx
Burke, Michael F., xxx-xx-xxxx
Burres, Keith E., xxx-xx-xxxx
Bush, Robert W., xxx-xx-xxxx
Butchko, Michael J., Jr., xxx-xx-xxxx
Butler, Jack V., xxx-xx-xxxx
Butler, Jimmie H., xxx-xx-xxxx
Butler, Norman R., xxx-xx-xxxx
Butt, David W., xxx-xx-xxxx
Cabuk, Joe G., Jr., xxx-xx-xxxx
Callahan, James E., xxx-xx-xxxx
Campbell, Clarence C., xxx-xx-xxxx
Carey, John J., xxx-xx-xxxx
Carr, Chalmers R., Jr., xxx-xx-xxxx
Carroll, Howard K., xxx-xx-xxxx
Carver, James I., II, xxx-xx-xxxx
Carver, Jimmy D., xxx-xx-xxxx
Chandler, Robert G., xxx-xx-xxxx
Cheney, William E., xxx-xx-xxxx
Cheney, William F., IV, xxx-xx-xxxx
Cheshire, Frank E., Jr., xxx-xx-xxxx
Clark, Wayne E., xxx-xx-xxxx
Clement, Robert O., xxx-xx-xxxx
Cliatt, Edwin R., xxx-xx-xxxx
Cofod, Robert K., xxx-xx-xxxx
Coleman, Donald P., xxx-xx-xxxx
Cooke, Phillip A., xxx-xx-xxxx
Coon, James L., xxx-xx-xxxx
Cooper, Richard M., xxx-xx-xxxx
Copenhaver, Howard W., Jr., xxx-xx-xxxx
Corson, Howard A., Jr., xxx-xx-xxxx
Cournoyer, Ronald C., xxx-xx-xxxx
Cowan, Kenneth W., xxx-xx-xxxx
Craun, Barbara R., xxx-xx-xxxx
Creel, Joel D., xxx-xx-xxxx
Crockett, Richard H., Jr., xxx-xx-xxxx
Crouch, Dennis E., xxx-xx-xxxx
Cruickshank, John P., xxx-xx-xxxx
Davidson, John K., xxx-xx-xxxx
Davis, Richard E., xxx-xx-xxxx
Decker, Charles E., xxx-xx-xxxx
Deep, Ronald, xxx-xx-xxxx
Delaney, Donald R., xxx-xx-xxxx
Devorshak, George A., xxx-xx-xxxx
Diercks, John W., xxx-xx-xxxx
Dillow, James D., xxx-xx-xxxx
Dinsmore, John C., xxx-xx-xxxx
Divich, Duane G., xxx-xx-xxxx
Dobrzelecki, Arthur J., xxx-xx-xxxx
Doneen, Dennis D., xxx-xx-xxxx
Donley, David L., xxx-xx-xxxx
Downing, Darrell A., xxx-xx-xxxx
Downs, Clelland R., xxx-xx-xxxx
Dreyer, Theodore C., xxx-xx-xxxx
Driscoll, Alan J., xxx-xx-xxxx
Dunn, Charles R., xxx-xx-xxxx
Eckert, Jon S., xxx-xx-xxxx
Edwards, Harry M., xxx-xx-xxxx
Eickmann, Kenneth E., xxx-xx-xxxx
Ellington, William E., Jr., xxx-xx-xxxx
Elliot, Craig D., xxx-xx-xxxx
Elsea, George E., xxx-xx-xxxx
Evans, Arthur F., xxx-xx-xxxx
Evans, Thomas D., xxx-xx-xxxx
Evatt, James W., xxx-xx-xxxx
Everett, Robert P., xxx-xx-xxxx
Faessler, Lawrence J., xxx-xx-xxxx
Fee, David T., xxx-xx-xxxx
Felton, Richard F., xxx-xx-xxxx
Figgins, Jerry M., xxx-xx-xxxx
Finan, John L., xxx-xx-xxxx
Fisher, Kenneth S., xxx-xx-xxxx
Flournoy, John C., xxx-xx-xxxx
Floyd, Aaron B., xxx-xx-xxxx
Forbes, Lee J., xxx-xx-xxxx
Forster, George J., xxx-xx-xxxx
Fowl, Gregory A., xxx-xx-xxxx
Fowler, Frederick J., xxx-xx-xxxx
Fox, Clarence E., xxx-xx-xxxx
Freeman, Larry B., xxx-xx-xxxx
Freitas, John V., xxx-xx-xxxx
Frey, Edward P., xxx-xx-xxxx
Fritz, Nicholas H., Jr., xxx-xx-xxxx
Fujii, Donald S., xxx-xx-xxxx
Fullerton, Ronald A., xxx-xx-xxxx
Galante, Leonard T., xxx-xx-xxxx
Galemmo, Joseph A., xxx-xx-xxxx
Gardner, Maurice G., xxx-xx-xxxx
Gentle, Milton W., xxx-xx-xxxx
Gest, Robert, III, xxx-xx-xxxx
Giampietro, Ronald L., xxx-xx-xxxx
Gieszelmann, Edward L., xxx-xx-xxxx
Gilbert, Robert G., xxx-xx-xxxx
Giles, Roy M., Jr., xxx-xx-xxxx
Ginnetti, Mario B., xxx-xx-xxxx
Ginzel, Weldon J., xxx-xx-xxxx
Glenn, Joseph K., xxx-xx-xxxx
Goff, Elton S., xxx-xx-xxxx
Goff, Walter M., xxx-xx-xxxx
Golden, James B., Jr., xxx-xx-xxxx
Gooch, Lawrence L., xxx-xx-xxxx
Gottschalk, Paul H., xxx-xx-xxxx
Gould, Edwin E., xxx-xx-xxxx
Governs, Robert J., xxx-xx-xxxx
Graydon, Michael T., xxx-xx-xxxx
Greene, Joseph S., Jr., xxx-xx-xxxx
Greenway, George R., xxx-xx-xxxx
Griffin, John J., Jr., xxx-xx-xxxx
Grimard, Laurence N., xxx-xx-xxxx
Gropman, Alan L., xxx-xx-xxxx
Grossel, Roger L., xxx-xx-xxxx
Guertin, Richard J., xxx-xx-xxxx
Guidry, Roland D., xxx-xx-xxxx
Guild, Richard E., xxx-xx-xxxx
Gunther, Carroll D., xxx-xx-xxxx
Gyauch, Charles P., xxx-xx-xxxx
Habiger, Eugene E., xxx-xx-xxxx
Hadley, James P., Jr., xxx-xx-xxxx
Hager, Gerald T., xxx-xx-xxxx
Hailey, Joaquin M., xxx-xx-xxxx
Halberstadt, Fred M., xxx-xx-xxxx
Hallock, David B., xxx-xx-xxxx
Hammers, Lavern E., xxx-xx-xxxx
Hanna, John H., xxx-xx-xxxx
Hanna, Sidney T., Jr., xxx-xx-xxxx
Hannam, James T., xxx-xx-xxxx
Hannan, Ronald D., xxx-xx-xxxx
Hansen, Lynn M., xxx-xx-xxxx
Harris, Alan, xxx-xx-xxxx
Hart, Albert W., xxx-xx-xxxx
Hastie, Robert T., xxx-xx-xxxx
Hastings, Robert D., xxx-xx-xxxx
Hawkins, Robert C., xxx-xx-xxxx
Hayes, William K., xxx-xx-xxxx
Heglar, Dewey L., Jr., xxx-xx-xxxx
Hein, Don H., xxx-xx-xxxx
Heinz, Edward L., xxx-xx-xxxx
Hendryx, Francis A., xxx-xx-xxxx
Henn, Charles L., xxx-xx-xxxx
Hensley, Dale L., xxx-xx-xxxx
Higgins, John J., xxx-xx-xxxx
Higgins, Joseph L., xxx-xx-xxxx
Hillebrand, Lawrence J., xxx-xx-xxxx
Hinds, Hubert T., xxx-xx-xxxx
Hines, Charles W., xxx-xx-xxxx
Hinton, David S., xxx-xx-xxxx
Hobgood, Leslie A., xxx-xx-xxxx
Hogan, Anthony T., xxx-xx-xxxx
Hohman, Robert L., xxx-xx-xxxx
Holt, Stephen R., xxx-xx-xxxx
Hood, Joseph L., xxx-xx-xxxx
Hooper, Bradley H., xxx-xx-xxxx
Horton, William R., Jr., xxx-xx-xxxx
Howe, George W., xxx-xx-xxxx
Howes, Thomas R., xxx-xx-xxxx
Hubert, John S., xxx-xx-xxxx
Hunt, Ronald K., xxx-xx-xxxx
Hutchinson, Frederick O., xxx-xx-xxxx
Irzyk, Robert J., xxx-xx-xxxx
Isaacson, Terry C., xxx-xx-xxxx
Jackson, David K., xxx-xx-xxxx
Jackson, John A., Jr., xxx-xx-xxxx
Jaeckle, John T., xxx-xx-xxxx
Jaecques, Robert E., xxx-xx-xxxx
Jamerson, James L., xxx-xx-xxxx
Jeffers, Carl M., Jr., xxx-xx-xxxx
Jenkins, Charles R., xxx-xx-xxxx
Johnson, Bruce W., xxx-xx-xxxx
Johnson, Calvin R., xxx-xx-xxxx
Johnson, Jay H., Jr., xxx-xx-xxxx
Johnson, Richmond E., xxx-xx-xxxx
Johnson, Thomas R., xxx-xx-xxxx
Johnston, James M., III, xxx-xx-xxxx
Jones Granville L., Jr., xxx-xx-xxxx
Jones, Lowell W., xxx-xx-xxxx
Joyce, John P., xxx-xx-xxxx
Jumper, Jerry B., xxx-xx-xxxx
Juvette, Kenneth J., xxx-xx-xxxx
Kahla, Jeffery W., xxx-xx-xxxx
Kanter, David G., xxx-xx-xxxx
Keighery, Robert P., xxx-xx-xxxx
Kelly, John J., Jr., xxx-xx-xxxx
Kerr, Arthur D., xxx-xx-xxxx
Kimball, Frank T., xxx-xx-xxxx
Kimberly, Floyd V., xxx-xx-xxxx
Klix, Richard T., xxx-xx-xxxx
Klug, Robb F., xxx-xx-xxxx
Knapp, Bobby G., xxx-xx-xxxx
Knudson, George H., Jr., xxx-xx-xxxx
Koch, Edwin A., xxx-xx-xxxx
Koechle, Edward A., xxx-xx-xxxx
Koehnke, Richard K., xxx-xx-xxxx
Kormanik, Joseph D., xxx-xx-xxxx
Kowalik, Walter E., xxx-xx-xxxx
Kravetz, Howard L., xxx-xx-xxxx
Krieger, Edward W., xxx-xx-xxxx
Krouse, Kieth E., xxx-xx-xxxx
LaChance, Andre L., xxx-xx-xxxx
LaMontagne, Gaston A., xxx-xx-xxxx
Lane, Jon S., xxx-xx-xxxx
Lapolt, Thomas, xxx-xx-xxxx
Larson, George W., Jr., xxx-xx-xxxx
Law, Richard F., xxx-xx-xxxx
Leachman, William D., xxx-xx-xxxx
Leahy, Robert G., xxx-xx-xxxx
Leathers, Jackie P., xxx-xx-xxxx
Lebar, Thomas J., xxx-xx-xxxx
Lee, James A., xxx-xx-xxxx
Lefton, Jerry D., xxx-xx-xxxx
Lemon, Robert J., xxx-xx-xxxx
Lentz, Owen W., xxx-xx-xxxx
Lindenfelser, James J., xxx-xx-xxxx
Lippencott, George E., xxx-xx-xxxx
Little, James F., xxx-xx-xxxx
Locke, Robert M., xxx-xx-xxxx
Lollis, Thomas E., xxx-xx-xxxx
Louden, Philip E., xxx-xx-xxxx
Louk, Dale E., xxx-xx-xxxx
Ludwig, Francis J., xxx-xx-xxxx
Lyman, Roderick W., xxx-xx-xxxx
Lytle, William W., Jr., xxx-xx-xxxx
Mabile, Arnold L., xxx-xx-xxxx
MacArthur, William H., xxx-xx-xxxx
MacArtney, John D., xxx-xx-xxxx
MacDonald, Russell R., Jr., xxx-xx-xxxx
MacLaren, Allan J., xxx-xx-xxxx
MacLeod, Richard P., xxx-xx-xxxx
Madden, Philip L., xxx-xx-xxxx
Maiorka, Philip S., xxx-xx-xxxx
Major, Michael G., xxx-xx-xxxx
Mannex, Henry R., xxx-xx-xxxx
Marano, Franklin A., xxx-xx-xxxx
Martin, John L., xxx-xx-xxxx
Martin, William P., Jr., xxx-xx-xxxx
Masciola, Mario V., xxx-xx-xxxx
Mastal, Jerome J., xxx-xx-xxxx
Matthews, Paul M., xxx-xx-xxxx
McCabe, Francis X., xxx-xx-xxxx
McCombs, James C., xxx-xx-xxxx
McCormack, James M., xxx-xx-xxxx
McDowell, Richard E., xxx-xx-xxxx
McGlohon, Robert A., xxx-xx-xxxx
McKenzie, Jerry L., xxx-xx-xxxx
McKinsey, William G., xxx-xx-xxxx
McWilliams, Robert R., xxx-xx-xxxx
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