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PROCEEDINGS AND DEBATES OF THE 97th CONGRESS, FIRST SESSION

SENATE—Monday, December 14, 1981

(Legislative day of Monday, November 30, 1981)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, LL.D., D.D., offered the following prayer:

Not to us, O Lord, not to us, but to Thy name give glory, for the sake of Thy steadfast love and Thy faithfulness! Why should the nations say, "Where is their God?" Our God is in the heavens; He does whatever He pleases.—(Psalm 115: 1-3.)

Lord God of the nations, as the Senate returns to its work, the situation in Europe is tense and fragile. Much as the domestic situation demands the attention of our leadership, international affairs cannot be ignored. Grant to the President, the Secretary of State, the National Security Council and the Members of Congress superhuman wisdom and courage so that they may work through the sensitive issues according to the will of God and for the common welfare.

We pray for the leadership of Europe, especially Poland that they may be guided to decisions that will insure peace. Dear God, may the promise of Christmas be a reality as never before, "Glory to God in the highest, peace on earth, good will toward men." In the name of the Father, the Son and the Holy Spirit. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader is recognized.

THE JOURNAL

Mr. McCURE. Mr. President, I ask unanimous consent that the Journal be approved to date.

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

Mr. BAKER. Mr. President, will the Senator yield?

Mr. McCURE. I yield to the majority leader.

POETRY

Mr. BAKER. Mr. President, I leave to the poet, Marianne Moore, the task of distinguishing between understanding and appreciating, on this, the last Monday of the session. I ask unanimous consent that her poem, "Poetry," be printed in the RECORD.

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

POETRY

I, too, dislike it: there are things that are important beyond all this fiddle. Reading it, however, with a perfect contempt for it, one discovers in it, after all, a place for the genuine. Hands that can grasp, eyes that can dilate, hair that can rise if it must, these things are important not because a

High-sounding interpretation can be put upon them but because they are useful. When they become so derivative as to become unintelligible, the same thing may be said for all of us, that we do not admire what we cannot understand: the bat holding on upside down or in quest of something to

eat, elephants pushing, a wild horse taking a roll, a tireless wolf under a tree, the immovable critic twitching his skin like a horse that feels a flea, the baseball fan, the statistician—nor is it valid to discriminate against "business documents and

school-books"; all these phenomena are important. One must make a distinction however: when dragged into prominence by half poets, the result is not poetry, nor till the poets among us can be "literalists of the imagination"—above insolence and triviality and can present

for inspection, "imaginary gardens with real toads in them," shall we have it. In the meantime, if you demand on the one hand,

the raw material of poetry in all its rawness and that which is on the other hand genuine, then you are interested in poetry.

DEPUTY SECRETARY OF STATE WILLIAM P. CLARK

Mr. BAKER. Mr. President, I call to my colleagues' attention an article which appeared this morning in the Washington Post, an incisive and revealing por-

trait of Deputy Secretary of State William P. Clark.

Despite his initial lack of expertise in foreign policy, Bill Clark has emerged from his first year in office as one of the most influential and effective No. 2 men in recent State Department history. I ask unanimous consent that the article be printed in the RECORD.

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

CLARK, AFTER A SHAKY START, HAS GAINED RESPECT AT STATE (By John M. Goshko)

"Reagan chooses nitwit as minister," read the headline in an Amsterdam newspaper; and the London Daily Mirror commented: "America's allies in Europe will hope he is never in charge at a time of crisis."

These were only two of the brutally harsh and sarcastic judgments rendered by the world press on William P. Clark last February after he testified before the Senate Foreign Relations Committee on his qualifications to serve as deputy secretary of state. It wasn't one of Clark's finer hours.

He was unable to identify the prime ministers of South Africa or Zimbabwe and reacted as if he was hearing for the first time about such matters of international interest as the controversy over placing tactical nuclear weapons in Europe or the split in the British Labor Party. In fact, he seemed like one of the most spectacularly ill-suited candidates for a major foreign policy post in modern memory.

Even the normally mild-mannered committee chairman, Charles H. Percy (R-Ill.), who reluctantly voted to confirm Clark out of a sense of party loyalty, later remarked acidly, "Never again can we accept a man who professes to have no knowledge in the area for which he has been nominated."

But that was eight months ago. In the time since, there probably has been no other senior Reagan administration official about whom opinions have changed more radically than Clark, a 50-year-old former California Supreme Court justice who is known throughout the State Department as "the judge."

Clark's name doesn't appear in the news very often these days. However, among people familiar with the inner workings of the administration's foreign policy machinery, he is widely regarded as perhaps the most influential and powerful man to occupy the State Department's second-ranking job since George Ball in the 1960s.

Clark's standing within the administration is so high that he frequently is mentioned as a potential successor to his boss, Secretary of State Alexander M. Haig Jr., or as a possible candidate for an important insider's slot at the White House. More recently, as the

impression has spread that President Reagan's national security affairs adviser, Richard V. Allen, is on his way out, Clark's name keeps cropping up prominently in the speculation about likely replacements.

He got there partly by making up for his lack of expertise through sheer hard work and a punishing, on-the-job learning process. Although there are still a lot of blank spots in his knowledge of world affairs, Clark has parlayed his ability to learn by going into a major role in the internal management of the department. He also has put his fingerprints indelibly on such controversial and high-priority administration policies as its approach to combating Cuban influence in the Caribbean and resolving racial tensions in southern Africa.

However, Clark's real importance rests in his ability to perform another—and unique—function for the administration. He is the principal buffer, interpreter, guidance counselor and damage-control intermediary between the mercurial Haig and the palace guard surrounding Reagan at the White House.

Clark has been able to fit into that role because he has won Haig's trust and respect, while retaining his credentials as a member in high standing of the tight circle of Californians—among them presidential counselor Edwin Meese III, White House deputy chief of staff Michael K. Deaver and Defense Secretary Caspar W. Weinberger—who have been among the president's closest political intimates since his days as governor of California.

It was Clark who moved in as Reagan's chief of staff in 1967 when the governor's office in Sacramento was in a shambles and made it run smoothly, who enlisted Meese and Deaver for the Reagan team and who spent his 1969 vacation in Washington helping Weinberger, then a Nixon administration official, reorganize the Federal Trade Commission.

As one long-time observer of this old-boy network points out, "What Clark lacks in knowledge of foreign affairs is more than compensated for by the fact that he knows every contour of the hearts and minds of Meese and Deaver and Weinberger and Reagan himself. He shares their conservative political outlook and their penchant for doing things in orderly, teamwork fashion. He speaks their language in a way that a temperamental type like Haig would never be able to do."

This ability to "speak their language" keeps Clark almost constantly on the telephone to his old cronies at the White House and the Pentagon, running interference for Haig on policy and jurisdictional disputes and smoothing over the dustups that sometimes have made Haig appear to be in open warfare with the rest of the administration.

Authoritative State Department sources say that at least twice Clark was instrumental in diverting Haig from a collision course that could have had disastrous results for the administration's image. Last spring, when Haig exploded in public anger at the White House's decision to give control of the government's crisis management machinery to Vice President Bush rather than to Haig, Clark sat with the secretary for hours and patiently talked him out of resigning.

Then, these sources add, during the summer, Clark stepped in again and gently dissuaded Haig from demanding that Reagan apologize personally for critical comments about the secretary leaked by White House aides to the press.

Clark's skill at this kind of conciliation helps to explain why most State Department insiders discount the rumors that he might move into the national security adviser's job if the president decides that Allen's problems over his dealings with former Japanese business associates make it advisable to drop him.

In part, many department officials note

privately, Clark's education in foreign policy matters still hasn't gone far enough to really qualify him for a job whose main function is to keep the president informed and the rest of the administration coordinated on the broad range of national security business.

Only last week, during a visit to Ireland, Clark demonstrated that there still are some very rough edges on his grasp of sensitive issues. During an interview in Dublin, he used some carelessly loose language that implied the United States was departing from its policy of noninterference in the Irish reunification dispute and that forced the State Department to rush out a clarifying statement that U.S. policy remained unchanged.

But, these officials continue, the main reason Clark is considered unlikely to move to the National Security Council, if and when Allen leaves, is that the president and the senior White House staff consider him more valuable in his present position as their interlocutor with Haig.

It's a role that Clark didn't expect to be playing a year ago when his old friend Reagan, won the presidency. He had left active politics in 1970 for a series of judgeships that culminated in his supreme court appointment, and he was content to divide his time between his cattle and grain ranch in California's San Luis Obispo County and his duties on the court, where he was known as a strict law-and-order conservative at frequent odds with the court's liberal majority.

His name immediately came up on Reagan's short list of candidates for such jobs as attorney general, secretary of agriculture and director of the Central Intelligence Agency, but Clark sent word that he was happy where he was and didn't want to be considered for any of them.

It wasn't until Meese made a cross-country trip to Clark's judicial chambers in San Francisco and advised him that the president wanted him to become deputy secretary of state that Clark reluctantly relented, even though, as he candidly admits, "I didn't know any more about the subject than any casual reader of Time or Newsweek."

Initially, everyone assumed that Reagan wanted Clark at State to act as a watchdog on the unpredictable Haig. But, after the fiasco of Clark's confirmation hearing, it seemed that the pugnacious, internationally famous former general would swallow the softspoken, judiciously quiet outsider from California in a single gulp.

When a reporter asked Haig at a cocktail party how he felt about having a deputy whose credentials seemed so threadbare in comparison to his own far-ranging experience in foreign policy and national security, the secretary grinned broadly and replied: "Actually, I feel pretty good about it."

In reality, State Department sources agree, the two hit it off well from the outset. Both basically shared Reagan's mistrust of communism and his desire to restore American preeminence in world affairs. Haig, instead of trying to shut Clark out, earned his gratitude and affection by taking the newcomer into his confidence and assigning him increasingly important responsibilities.

Clark himself recalls, "From the outset, the problems began piling up to the point where there was far more on Al's plate than he could handle. When something new came in that needed immediate attention, I'd say, 'Al, do you want me to take that one?' and he invariably would answer, 'Bill, could you do that for me?'"

Clark also insists that there never has been a conflict between his loyalties to Reagan and Haig. He says, "Since I've been here, Al has known of every communication I've had with the White House, both before and after; and he, in turn, has shared all his information and decision-making problems with me. We don't always agree on how to do some things, but we work together; and he's

never held me away from a problem out of concern that I won't do it the way he wants."

Clark admits, "I had to start pretty much from ground zero and educate myself on subjects I'd never thought about before." But department officials at all levels give him credit for being a quick learner and, even more importantly, a man who could slice through bureaucratic red tape and make his decisions stick.

In addition to his primary role of liaison with the White House and other government agency heads, Clark by now has staked out a number of little-noticed but very important functions within the department—ambassadorial appointments, internal management, the controversial shifting of human rights policy away from the activism of the Carter administration—as provinces where his is pretty much the last word.

Where policy initiatives are concerned, Clark has had a big role in two areas where the administration has generated a lot of controversy: Latin America and southern Africa. He has been the main overseer of State's efforts to launch the still evolving Caribbean basin initiative, aimed at combating Cuban influence in that region through development and trade assistance. A few months ago, he went to Pretoria for talks with South African Prime Minister Pieter W. Botha—"the man whose name I didn't know at my confirmation hearing"—to help break the logjam on negotiating an independence settlement for Namibia.

"That doesn't mean that the Caribbean or Africa are areas that have been assigned to me for my exclusive concentration," Clark says. "I have no priorities, and I try to be a utility infielder. More and more, my role inside the department is doublechecking and backstopping things that we're falling behind on in all areas."

"My job is trying to avoid what Al calls the grave error of the Vietnam era when the government got so focused on one issue that we lost sight of other things that were of concern to both our friends and foes. I got into the Caribbean basin thing because we wanted it on the president's agenda at a time when other people wanted to defer its consideration, and I went to South Africa because there was a danger that the Namibia negotiations would get frozen by inertia to the point where the opportunity would be lost."

"Now," he adds, "these matters are on track, for the moment at least; and I can get into other areas that need attention."

As to the future, Clark professes to miss life on his ranch, which is being run for the time being by the eldest of his five children, and talks about getting back there "before too much longer."

However, others see different scenarios for Clark's future. Within the department, there are many career officials, impressed by his access to the White House, who would like to see him become secretary if and when Haig calls it a day. Others, including some Republican politicians, note that Meese reportedly would like to end his service in the Reagan administration as attorney general and say, if that happens, Clark could wind up as Reagan's right hand at the White House.

For the present, such ideas remain in the realm of sheer speculation. What is clear, though, is that both Reagan and Haig seem very happy having Bill Clark sitting in his seventh-floor State Department office ready to pick up the telephone when some smoothing out is needed, and both probably would go to very great lengths to keep him there.

ORDER FOR ROUTINE MORNING BUSINESS

Mr. MCCLURE. Mr. President, I ask unanimous consent that following the recognition of the two leaders under the

standing order, there be a period for the transaction of routine morning business, not to extend beyond 30 minutes, with Senators permitted to speak therein for not more than 5 minutes each.

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

Mr. MCCLURE. Mr. President, I reserve the remainder of my time.

RECOGNITION OF THE MINORITY LEADER

The PRESIDENT pro tempore. The minority leader is recognized.

Mr. ROBERT C. BYRD. I thank the Chair.

CRISIS IN POLAND

Mr. ROBERT C. BYRD. Mr. President, events in Poland over the weekend are cause for grave concern among all Americans. It is my sincerest hope that the latest crisis in that country will be resolved peacefully. It is my sincerest hope that the Soviets will see it in their interest to avoid intervention, directly or indirectly, in the present crisis facing Poland.

The Poles must be left alone to resolve the differences between the ruling Communist elite and the 10-million-member Solidarity union movement. The declaration of martial law by the ruling Military Council and the detention of an estimated 1,000 Solidarity union leaders present a potentially explosive situation in Poland. There is room for cautious optimism, however. Reports indicate that Solidarity leader Lech Walesa has flown to Warsaw for talks with Polish authorities. It is my hope, and that of all Americans, that these talks will succeed and the state of emergency will be lifted.

The liberalization effort in Poland which began in the shipyards of Gdansk during the summer of 1980 has been a remarkable development. It has been a particularly welcome development in light of the special relationship the people of the United States have had with Poland over the years. I was, therefore, heartened by Secretary of State Alexander Haig's statement of yesterday which noted:

A senior Polish foreign official had assured the United States and other western nations that reforms will continue despite the military takeover.

I support the Secretary's statement that the United States "will watch very carefully whether this promise will be kept" and "the political experiment underway in Poland should be allowed to proceed unimpeded."

Mr. President, Americans join with Pope John Paul II in praying that bloodshed will be avoided. The Poles have endured enough suffering throughout their history. It is time for mutual restraint, conciliation, and cooperation in resolving the economic ills plaguing that country. And in this connection, I stand by the efforts of our Government to assist in this endeavor.

THE BUDGET—A HISTORY OF BROKEN PROMISES

Mr. ROBERT C. BYRD. Mr. President, on December 9, the U.S. Senate perpetrated the biggest sham in the history of the budget process when it voted 49 to 48 to adopt a meaningless, nonbudget, when it adopted the Domenici amendment to the second budget resolution.

Through this vote, the Senate also took the amazing step of committing itself to cut social security, defense, and other vital areas of Federal priority. The sponsors of the Domenici amendment have clearly given up on the administration's commitment to a balanced budget. They replaced their earlier trust in the administration with the Domenici amendment which employed a peculiar twist of language whereby the majority of the Budget Committee urged itself to produce a plan next March for fiscal years 1983 and 1984 that results in a balanced budget by fiscal year 1984. I fail to understand why the majority party must ask itself to draft legislative language next year. Since the makeup of the Senate and of the Budget Committee will be the same on March 31 as it is now, what sense did it make to approve such an amendment? Certainly, the amendment captured a few lines of newsprint, and a few seconds of television time, but what was the point of it? Are things any better today than they were before this amendment passed? Are we any closer to a balanced budget in fiscal year 1984 now than we were a few hours before? Obviously, things are no better and we are no closer to a balanced budget.

If this amendment's only failing were that it was pointless, I would not be too upset. After all, I became used to such proposals from my good friends on the other side of the aisle during their long tenure as the minority. But while this amendment was pointless as a balanced budget assurance, it was pernicious in the example it set for future budget cuts.

To quote from the amendment, it urged cuts in "all parts of the budget, including entitlement programs." Let me repeat that, "including entitlement programs."

Well, we on our side do not intend to stand idly by as the most basic entitlement program—social security—is cut, and our contract with this Nation's elderly is broken in two. After the President assured the Nation he would not seek cuts in social security, the majority party nevertheless pushed through an amendment which would require such cuts. Let us take a moment to consider what brought us to this terrible moment.

Throughout the entire budget and tax cutting process, Democrats warned that we would be heading for trouble—that the President's fiscal plan would not work. Yet, our colleagues on the other side of the aisle marched in lock-step with the administration. There was no attempt to achieve a workable program. Now the massive tax cut is in place. Massive deficits are assured.

Let us review the history of this balanced budget fight for a moment.

In January, the President will send us his fiscal year 1983 budget. As this week's newspaper reports indicate, the administration's preliminary calculations

are for a budget deficit of \$109 billion in fiscal year 1982 rather than the \$43 billion projection they gave us in September. For fiscal year 1984, the March, July, and September administration budgets predicted a balanced budget, but the new administration forecast projects a deficit of \$162 billion.

Of course, we will hear cries that these are only preliminary projections and that there will be significant cuts to reduce these unacceptably high budget deficits. But there are two important questions to be addressed. The first is: Why are these deficit projections so much higher than those of March or July or September?

I believe the answer is that the administration is finally bringing its economic forecast out of fantasy land. What concerns me now is whether David Stockman or some other administration adviser will rework the economic forecast to make the deficits disappear.

We know from Mr. Stockman's admissions in the Atlantic Monthly article that his first action as OMB Director was to change the computer model that correctly projected high deficits. Will he change the model again?

Or has a balanced budget slipped forever from this administration's grasp?

In September 1980, candidate Reagan promised the American people a balanced budget in fiscal year 1983 by cutting waste, fraud, and abuse. On September 21, 1981, President Reagan reaffirmed his belief in a balanced budget, saying:

This Administration is committed to a balanced budget, and we will fight to the last vote to achieve it in 1984.

A mere 7 weeks later, on November 6, the country was shocked to hear the President say:

I've never said anything but that it was a goal. And the eventual goal, whether it comes then [in 1984], or whether it has to be delayed or not, is a balanced budget.

What are we to believe? What signal are we to follow? When this administration first took office and announced its economic recovery plan, the American people were telling us to give the President a chance.

Give him his programs they said. His programs promised a balanced budget, a huge tax cut, and increased defense spending. Well, Congress gave his programs to him—we responded, we gave the President everything he said was necessary for his economic recovery plan. Central to that plan was the promise of a balanced budget in fiscal year 1984, and now that promise has been broken and abandoned.

On November 16, the President said:

I did not come here to balance the budget—not at the expense of my tax-cutting program and my defense program. If we can't do it in 1984, we'll have to do it later.

Now we have to ask: What is it the President wants? Will he ever balance the budget?

The second question I must ask is: If the President does still want a balanced budget, how will that budget be balanced? I think \$162 billion is too much of a "magic asterisk" even for David Stockman, but one can never be sure.

On October 15, I submitted an amendment instructing OMB Director Stockman to reveal which budget cuts and which tax increases would be necessary to reach the administration's deficit targets of \$43.1 billion in fiscal year 1982, \$22.9 billion in fiscal year 1983, and a balanced budget in fiscal year 1984. This amendment, which was offered to the social security minimum benefit bill, asked nothing more than that the full picture be painted for the Congress and the American people. The amendment sought to flush out any future social security cuts which might be lurking under the rubric of unidentified cuts. Unfortunately, it was made into a partisan matter and voted down on a straight party line vote.

I would point out at this time that the first budget resolution for fiscal year 1982 includes an assumption that there will be unspecified COLA cuts of almost \$5 billion in fiscal year 1982 and \$7 billion in both fiscal years 1983 and 1984.

On October 28, I introduced a bill which again directed the Office of Management and Budget to spell out the unidentified budget cuts and tax increases necessary to reach the administration's deficit targets. There has been no action on that bill.

On November 18, when the Senate was considering the ill-fated continuing resolution, I offered a simple sense of the Senate amendment that the President should present a balanced budget for fiscal year 1984 and should detail the plan to reach that balance. Well, that sense of the Senate amendment was spared the opportunity of the veto when it was defeated on a party line vote of 47 to 50.

If one of these amendments had been adopted, there could be no so-called unidentified cuts. There could be no vague language that would leave Congress or the American people in doubt as to what cuts would be necessary or what tax increases would be required in order to achieve a balanced budget in fiscal year 1984. It would all be out on the table, for everyone to see and understand, for the Congress and the American people, so that they could clearly appreciate what cuts would be included and what tax increases would be required.

The administration could not continue to pretend future proposals for savings, unidentified cuts, or magic asterisks can balance a budget.

My concern about the blue smoke and mirrors which were being used to project a balanced budget began when the President transmitted his budget to Congress on March 10. Even at that time, there were disturbing signs. Most disturbing were the \$74 billion in unidentified cuts for fiscal years 1983 and 1984. Were magic asterisks the only way this administration could balance a budget?

Last April, when more realistic economics were used by the Senate Budget Committee, three Republicans joined Senate Budget Committee Democrats in opposing the fiscal year 1982 first budget resolution because it did not provide for a balanced budget in fiscal year 1984.

Over the Easter recess, faced with the prospect of no fiscal year 1982 budget resolution, a new master budget plan developed which reduced fiscal year 1984 spending by \$44.8 billion, coincidentally the exact amount necessary to balance the budget in fiscal year 1984.

But even this doctored document contained unidentified cuts. In fiscal year 1983, there were \$28 billion in unidentified cuts and an incredible \$35 billion in fiscal year 1984.

Although these unidentified cuts troubled me and my fellow Democrats, the worst was yet to come, because the administration's July tax cut bill, which slashed \$280 billion in revenues between 1982 and 1984, has proven to be a disaster.

Not only is this tax cut an unfair transfer of wealth from middle to upper income citizens, but it put a balanced budget by 1984 out of reach. President Reagan said the Kemp/Roth tax bill " * * * includes just about everything to help the economy. * * * " But we now find out from Mr. Stockman that it was nothing more than a trickle down wolf in the sheep's clothing of supply side economics.

In September, the budget situation turned even more grim. The economy was not responding to the plan. As the bad news continued to mount, the administration announced another multi-year budget plan to bring the deficit to zero by 1984. Their fall budget plan included new spending cuts of \$48 billion for fiscal year 1984 on top of the \$51 billion that had already been cut by the administration's reconciliation plan passed in July.

After the surprising vote on my October 15 amendment, I sent a letter to Director Stockman on October 29. The letter asked Mr. Stockman to answer two critical questions:

First, what are the amounts of "unidentified" cuts for fiscal years 1982, 1983, and 1984 that are presently included in the President's Fall Budget Program? . . . Second, based on the economic and budget situation as you see it today, what is your best estimate of spending reductions and revenue increases that are necessary to maintain the Fall Budget Program's projected deficits of \$43.1 billion in fiscal year 1982, \$22.9 billion in fiscal year 1983, and a balanced budget in fiscal year 1984?

Although this letter was sent nearly 5 weeks ago, I received no response until December 4. Mr. Stockman's letter said that there are \$49 billion in unidentified savings in the administration's latest budget. He did not answer my question as to what budget cuts and tax increases are necessary to balance the budget by fiscal year 1984.

Recent weeks have brought some added pressures on Director Stockman. The Atlantic Monthly article confirmed the fear I had harbored all along, the fear that had caused me to offer legislation seeking clarification of the unidentified cuts and necessary tax increases assumed by the President's package.

The article depicted David Stockman as dismissing this important matter of unidentified cuts. To him, the unidenti-

fied cuts which held his deficit projections together were just magic asterisks. Well, I suppose magic asterisks have their place in a program that the Vice President once labeled "voodoo economics." Unfortunately, they have no place in the world of free market economics.

The administration may have decided to abandon its balanced budget goal for 1984, but many of us have not, and the Senate should not. If we abandon this goal, what point of reference do our business and labor leaders have as they try to plan for the future? If we abandon this goal, I am afraid we are jeopardizing economic recovery.

I ask unanimous consent that my letter to Director Stockman, his response, and a special report detailing the administration's flip-flops on the balanced budget be printed in the RECORD.

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

OFFICE OF THE DEMOCRATIC LEADER,
Washington, D.C., October 29, 1981.

HON. DAVID A. STOCKMAN,
Director, Office of Management and Budget,
Executive, Office Building, Washington,
D.C.

DEAR MR. DIRECTOR: On October 15, 1981, I offered an amendment to H.R. 4331, a bill to amend the Omnibus Reconciliation Act of 1981 to restore minimum benefits payments under the Social Security Act.

My amendment asked that you report to Congress a complete list of budget reductions and revenue increases that are necessary to achieve the FY 1982 and FY 1983 deficits, and the balanced budget for FY 1984 projected in the President's Fall Budget Program.

My amendment sought to identify all budget initiatives necessary to meet the Administration's most recent projections. This would include your latest internal revisions of the budget, as well as the "unidentified" savings assumed in the Fall Budget Program. Based on the information provided in the September 24, 1981, Fact Sheet released by the White House, it appears that there were "unidentified" cuts of \$51.7 billion in FY 1983 and \$82.0 billion in FY 1984.

Today, for the first time, I learned that the Office of Management and Budget privately disputes that the amounts of "unidentified" cuts in fiscal years 1983 and 1984 are that large.

To help clarify this situation, I would be grateful if you could immediately provide the answers to two questions. First, what are the amounts of "unidentified" cuts for fiscal years 1982, 1983, and 1984 that are presently included in the President's Fall Budget Program? I believe these amounts should include any proposals that have not been transmitted to Congress.

Second, based on the economic and budget situation as you see it today, what is your best estimate of spending reductions and revenue increases that are necessary to maintain the Fall Budget Program's projected deficits of \$43.1 billion in fiscal year 1982, \$22.9 billion in fiscal year 1983, and a balanced budget in fiscal year 1984?

I would appreciate your immediate attention to this matter.

Sincerely,

ROBERT C. BYRD.

OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., December 2, 1981.

HON. ROBERT C. BYRD,
U.S. Senate,
Washington, D.C.

DEAR BOB: This is in response to your letter of October 29, 1981, in which you raise ques-

tions about the Fact Sheet on the Fall Budget Program (September 24, 1981), and about our current assessment of spending reductions and revenue increases necessary to meet the September targets.

The table below shows the identified and unidentified savings reflected in the September estimates. It shows that the Administration identified proposed savings—including both outlay reductions and revenue enhancements—of \$16.0 billion in 1982, \$28.3 billion in 1983, and \$35.8 billion in 1984. In addition, further savings of \$11.7 billion in 1983 and \$23.0 billion in 1984 were estimated to be required to achieve the Administration's target of a \$22.9 billion deficit in 1983 and a balanced budget in 1984. These estimates of unidentified savings are substantially below those mentioned in your letter.

[Estimates in billions of dollars]

	1982	1983	1984
Identified savings:			
12 percent across-the-board cut in fiscal year 1982	8.4	5.3	3.8
Defense slowdown	2.0	5.0	6.0
Entitlements reform	2.6	10.0	15.0
Revenue enhancements	3.0	8.0	11.0
Subtotal, identified	16.0	28.3	35.8
Unidentified savings		11.7	23.0
Total savings	16.0	40.0	58.8

The entitlement reforms and revenue enhancements reflected in the table above, which were originally expected to be transmitted to the Congress in October, will instead be transmitted in the 1983 Budget in January.

In response to your second question, as part of our annual fall review process we are reassessing the economic outlook and its implications for the goals reflected in the President's September address. Because this reassessment has not been completed—and will not be completed until shortly before the 1983 Budget is delivered to Congress—I cannot respond to your second question at this time.

Sincerely,

DAVID A. STOCKMAN,
Director.

SPECIAL REPORT OF DEMOCRATIC POLICY COMMITTEE, NOVEMBER 10, 1981

This Administration is committed to a balanced budget, and we will fight to the last blow to achieve it by 1984.

We will not sit on our hands and watch helplessly as the deficit swells and swells.—President Ronald Reagan, September 21, 1981.

I did not come here to balance the budget—not at the expense of my tax-cutting program and my defense program. If we can't do it in 1984, we'll have to do it later.—President Ronald Reagan, Newsweek, November 16, 1981.

THE BALANCED BUDGET: ANOTHER BROKEN PROMISE

After nine months of predictions that a balanced budget in 1984 would be a reality, the Administration finally admitted what non-Administration economists were saying all along. Given the Administration's economic plan, it cannot happen.

Below is a history of select quotes about the balanced budget starting with September 1980, and ending in November 1981.

On September 9, 1980, Ronald Reagan: "We must balance the budget, reduce taxes, and restore our defenses. These are the challenges. . . . I know we can do these things, and I know we will."—Source: Address to the International Business Council.

On September 21, 1980, Ronald Reagan: "I believe the budget can be balanced by 1982 or 1983."—Source: Anderson-Reagan Debate.

On October 28, 1980, Ronald Reagan: "I have submitted an economic plan . . . and believe that over a five year projection, this plan can permit the extra spending for needed refurbishing of our defensive posture, that it can provide for a balanced budget in 1983 if not earlier, and that we can afford—along with the cuts that I have proposed in government spending—we can afford the tax cuts I have proposed. . . ."—Source: Carter-Reagan Debate.

On February 3, 1981, and he (President Reagan) told interviewers in the Oval Office that "one of the things I have not retreated from is the 1983 target" of a balanced budget.—Source: The New York Times, February 4, 1981.

On February 18, 1981: By fiscal 1984—under the policy recommendations presented in this document—the Federal budget should be in balance.—Source: "America's New Beginning: A Program for Economic Recovery."

On March 2, 1981, Budget director David A. Stockman said yesterday that the Reagan administration will propose further spending cuts if a weakening economy later this year threatens to increase the budget deficit.

Stockman said that if such a trend develops this spring, the Reagan administration would "as a matter of basic policy, look for offsetting economies," rather than accommodate that kind of growth in the deficit. "It may not be a 100 percent offset," he said, "but we would not allow the budget to become hostage to the economy."—Source: The Washington Post, March 3, 1981.

On September 15, 1981, President Ronald Reagan: "I'm as committed today as on the first day I took office to balancing the budget, freeing the people from punitive taxation, and making America once again strong enough to safeguard our freedom. And I'm surer today than I ever was that we can achieve all three of these things. We'll continue to make budget adjustments as needed, and we'll hold the line."—Source: Remarks at a White House Reception.

On September 21, 1981, President Ronald Reagan: "This Administration is committed to a balanced budget, and we will fight to the last blow to achieve it by 1984. . . .

"We will not sit on our hands and watch helplessly as the deficit swells and swells." Source: Address to the National Federation of Republican Women.

On September 24, 1981, President Ronald Reagan: ". . . Maybe you'll remember that we were told in the spring of 1980 that the 1981 budget, the one we have now, would be balanced. Well, that budget, like so many in the past, hemorrhaged badly and wound up in a sea of red ink:

"I have pledged that we shall not stand idly by and see that same thing happen again."—Source: Televised Address to the Nation, September 24, 1981.

On October 26, 1981, OMB Director David Stockman: "I don't think anybody's talking about literal accounting balance or making a fetish (of a balanced budget)."—Source: The New York Times, October 29, 1981.

On October 29, 1981, White House Communications Director David Gergen: "The President is sticking firmly to the idea of a balanced budget in 1984."—Source: The New York Times, October 31, 1981.

On October 30, 1981, testifying before the Senate Budget Committee, Mr. Reagan said it is "possible, but not probable" that the goal (of a balanced budget) will be reached.—Source: The Baltimore Sun, October 31, 1981.

On November 6, 1981, Treasury Secretary Donald Regan: "We will not be able to

achieve a balanced budget by 1984, but we will be on a path leading to a balanced budget."—Source: The Baltimore Sun, November 7, 1981.

On November 6, 1981, President Ronald Reagan: "I've never said anything but that it was a goal. And the eventual goal, whether it comes then (in 1984) or whether it has to be delayed or not, is a balanced budget."—Source: The Washington Post, November 7, 1981.

On November 1981, President Ronald Reagan: "I did not come here to balance the budget—not at the expense of my tax-cutting program and my defense program. If we can't do it in 1984, we'll have to do it later."—Source: Newsweek, November 16, 1981.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield to the Senator from Wisconsin.

HOUSE HEARINGS UNDERSCORE NEED FOR RATIFICATION OF GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, last week the Senate Foreign Relations Committee held its 11th day of hearings on the Genocide Convention since President Truman transmitted the Convention to the Senate in 1949. As that committee renews its consideration of the treaty, I would like to take this opportunity to call the attention of my colleagues to important hearings on the crime of genocide held by the House Committee on International Relations in 1975.

For 2 days that committee received testimony from a number of historians, sociologists, and other experts on the two greatest human tragedies of this century, the Holocaust, which destroyed or displaced almost the entire Jewish population in Europe, and the massacre of 1½ million Armenians by the Turks during World War I. By closely examining those two instances of genocide in an effort to reach a broader understanding of the crime of genocide and its implications, the committee sought to provide a basis for the discussion of possible methods of prevention.

First and foremost, the witnesses explored the committee to remember the absolute horror of these human atrocities, the incredible suffering and death borne by the victims, and the callousness, intolerance, hatred, and inhumanity which the perpetrators were capable of.

Subcommittee Chairman Lester Wolff recognized in his opening statement that—

We cannot permit the passage of time to erase the memory of an act of genocide. It is a time that cannot be forgotten. Just twenty-five years after the massacre of the Armenians, Adolph Hitler, as he was laying out his own plans for atrocities, callously noted, "Who, after all, speaks today of the annihilation of the Armenians?"

Mr. President, that is a shocking quote. Think about it.

That Hitler could possibly have been deterred from instigating the slaughter of Europe's Jews had the international reaction to the Armenian Holocaust just 25 years earlier been firmer and more

vocal is a most disturbing notion, one that must sting in the conscience of us all.

Repeatedly, the witnesses of this hearing stressed that to establish the climate of world opinion necessary to deter future genocides, it is essential that the world be vividly reminded, again and again, of the willful slaughters of human beings that have occurred throughout history.

But, Mr. President, as the international reaction to the Armenian massacre at the time Hitler was plotting his final solution demonstrates to us, the memory of mankind is dangerously short lived.

This fact reiterates the need for the international community to formally commit itself to the prevention of genocide. And that, Mr. President, is exactly what the Genocide Convention does. It provides a framework for the nations of the world to effectively oppose the planned destruction of whole groups of people.

I urge my colleagues to take the time to review some of the excellent testimony contained in this hearing record, which effectively makes the case for ratification of the Genocide Convention by this body.

Mr. President, I ask unanimous consent that former Representative Lester Wolff's excellent opening remarks be printed in the RECORD.

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

Mr. WOLFF. The subcommittee will come to order.

Genocide is, perhaps, the most heinous of international crimes. It takes the form of organized violence directed, usually by a state, against a people who are relatively defenseless. As these people are persecuted by the very state in which they live, their only recourse is assistance from abroad.

Today, the Subcommittee on Future Foreign Policy Research and Development, augmented by several additional members who are with us, will hold the first in a series of hearings to probe the terror of genocide: to try to determine how nations can prevent future crimes from occurring and bring to an end genocidal activities that do begin.

There is a growing concern in the Congress over the state of human rights in various nations in the world. These hearings will concentrate on the most extreme violation of human rights, the destruction of a people. To do this, we will examine certain past instances of genocide.

We will study the massacres of the Armenian people, and the "Holocaust" that claimed the lives of millions of European Jews.

We will examine the details of these tragedies and try to draw from conclusions as to the nature of genocide and how our Nation can respond in the future.

We have before us a panel of distinguished guests who will provide us with a wealth of information on the first genocidal tragedy of the 20th century, that which befell the Armenian people in the years 1910-20 when 1.5 million people were killed or driven from their homes and left to die. Our purpose in this is twofold. We shall examine this tragedy as part of the broader problem of genocide and also to determine whether the repercussions of the tragedy are still being felt today.

We cannot permit the passage of time to

erase the memory of an act of genocide. It is a crime that cannot be forgotten. Just 25 years after the massacre of the Armenians, Adolph Hitler, as he was laying out his own plans for atrocities, callously noted, "Who, after all, speaks today of the annihilation of the Armenians?"

In these hearings, we will show that such crimes are not forgotten but remain etched in the memory of man and serve to redouble man's efforts to prevent another tragedy.

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

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

The bill clerk proceeded to call the roll.

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

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

EXECUTIVE CALENDAR

Mr. BAKER. Mr. President, if I may have the attention of the distinguished minority leader for a moment, in examining the Executive Calendar for today, I find that, under nominations, all of those nominations beginning with Calendar Order No. 572, C. T. Conover, of California, to be Comptroller of the Currency, and extending, without exception, through page 41, to include nominations placed on the Secretary's desk in the Coast Guard, Air Force, Army, and Navy, have been cleared on our calendar. I wonder if the minority leader is prepared at this time to proceed to the consideration of all or any of those nominations.

Mr. ROBERT C. BYRD. Mr. President, all nominations on page 2 and going through page 41 have been cleared on this side of the aisle.

Mr. BAKER. Mr. President, would the distinguished minority leader be prepared at this time then to consider those nominations en bloc?

Mr. ROBERT C. BYRD. Mr. President, with the exception of the nomination which appears on page 2 in connection with which Senator PROXMIRE wishes to speak, this side is ready to proceed en bloc.

Mr. BAKER. I thank the minority leader.

EXECUTIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate now go into executive session for the purpose of considering the nominations just identified.

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

Mr. BAKER. Mr. President, would the clerk please state the first nomination?

The PRESIDENT pro tempore. The clerk will state the first nomination.

NATIONAL TRANSPORTATION SAFETY BOARD

The assistant legislative clerk read the nomination of James Eugene Burnett,

Jr., of Arkansas, to be a member of the National Transportation Safety Board.

Mr. BAKER. Mr. President, I am sorry. The first one, if I am not mistaken, is C. T. Conover, of California. Is that not correct? The others are to be considered en bloc was the advice I received from the minority leader. I believe the minority leader agreed to consider all the nominations beginning on page 2 under "Nominations." It was my hope the Chair would ask the clerk to state the first nomination, which would be C. T. Conover, on which there would be some debate. After the disposition of that nomination, I will ask that the remainder of them be considered en bloc.

The PRESIDENT pro tempore. The clerk will state the nomination.

DEPARTMENT OF THE TREASURY

The assistant legislative clerk read the nomination of C. T. Conover, of California, to be Comptroller of the Currency.

Mr. PROXMIRE. Mr. President, I will be very very brief. I do not expect to be more than 2 minutes.

Mr. President, this is a nomination which gave me a great deal of concern. Fortunately, Mr. Conover has cleared up my principal concern. I commend him for his willingness to compromise.

Mr. Conover had been a founder of the business consulting firm of Edgar, Dunn, and Conover a few short years ago. The firm has represented national banks. In fact, about 20 percent of their business and their revenues is from national banks.

Because the office to which he is being nominated is the most powerful office in the life of national banks and has virtually complete power over them as far as regulation is concerned, I was concerned with the situation of Mr. Conover being Comptroller of the Currency, the top man in this office, and, at the same time, his name appearing on a firm which national banks hired and paid to represent them. The conflict and especially the apparent or perceived conflict of interest could hardly be more obvious. I told Mr. Conover this in his nomination hearings before the Senate Banking Committee, and I told him the same thing when we had a private conference.

I must say, to Mr. Conover's great credit, by a letter dated December 8, 1981, he will have his name removed from the Edgar, Dunn firm. I think Mr. Conover has done the right thing with respect to the firm name. Mr. Conover will also recuse himself from bank client matters involving the Edgar, Dunn firm. For this, too, I commend Mr. Conover and I wish him well and express my desire to work with him as he enters upon his duties as Comptroller of the Currency. I have no objection to him. I think he is a competent man and an intelligent man with a fine background and I approve his nomination.

The PRESIDENT pro tempore. The nomination is confirmed.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Now, Mr. President, I ask unanimous consent that the remainder of the nominations appearing on today's Executive Calendar, beginning on page 3, National Transportation Safety Board, and continuing to the end, without exception, and to include the nominations placed on the Secretary's desk, be considered and confirmed en bloc.

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

The nominations confirmed are as follows:

NATIONAL TRANSPORTATION SAFETY BOARD

James Eugene Burnett, Jr., of Arkansas, to be a member of the National Transportation Safety Board for the term expiring December 31, 1985.

COMMUNICATIONS SATELLITE CORPORATION

Robert M. Garrick, of California, to be a member of the Board of Directors of the Communications Satellite Corporation until the date of the annual meeting of the Corporation in 1984.

FEDERAL EMERGENCY MANAGEMENT AGENCY

Bobby Jack Thompson, of New York, to be Administrator of the U.S. Fire Administration.

U.S. AIR FORCE

The following officers for appointment in the U.S. Air Force under the provisions of chapter 36, title 10 of the United States Code:

Brig. Gen. Leon W. Babcock, Jr., to be major general.
Brig. Gen. Robert D. Beckel, to be major general.
Brig. Gen. John A. Brashear, to be major general.
Brig. Gen. Duane H. Cassidy, to be major general.
Brig. Gen. William M. Charles, Jr., to be major general.
Brig. Gen. Joseph H. Connolly, to be major general.
Brig. Gen. Charles J. Cunningham, Jr., to be major general.
Brig. Gen. Thomas G. Darling, to be major general.
Brig. Gen. William A. Gorton, to be major general.
Brig. Gen. Monroe W. Hatch, Jr., to be major general.
Brig. Gen. Paul H. Hodges, to be major general.
Brig. Gen. William L. Kirk, to be major general.
Brig. Gen. Donald L. Lamberson, to be major general.
Brig. Gen. Gerald D. Larson, to be major general.
Brig. Gen. William J. Mall, Jr., to be major general.
Brig. Gen. Charles McCausland, to be major general.
Brig. Gen. Robert E. Messerli, to be major general.
Brig. Gen. Joseph D. Moore, to be major general.
Brig. Gen. Richard D. Murray, to be major general.
Brig. Gen. David L. Nichols, to be major general.
Brig. Gen. Peter W. Odgers, to be major general.
Brig. Gen. George B. Powers, Jr., to be major general.

Brig. Gen. Richard W. Pryor, to be major general.
Brig. Gen. Bernard P. Randolph, to be major general.
Brig. Gen. Robert H. Reed, to be major general.
Brig. Gen. Thomas C. Richards, to be major general.
Brig. Gen. Robert A. Rosenberg, to be major general.
Brig. Gen. Robert D. Springer, to be major general.
Brig. Gen. Thomas S. Swalm, to be major general.
Brig. Gen. William E. Thuman, to be major general.
Brig. Gen. Edward L. Tixler, to be major general.
Brig. Gen. Harold W. Todd, to be major general.
Brig. Gen. Kermit Q. Vandenbos, to be major general.
Brig. Gen. Brien D. Ward, to be major general.
Brig. Gen. Clifton D. Wright, Jr., to be major general.
Brig. Gen. Frank H. Smoker, Jr., to be major general.
Brig. Gen. Henry C. Smyth, Jr., to be major general.
Brig. Gen. Herbert L. Wassell, Jr., to be major general.
Col. Carl D. Black, to be brigadier general.
Col. John E. Blewett, to be brigadier general.
Col. James T. Botticelli, to be brigadier general.
Col. Charles S. Cooper III, to be brigadier general.
Col. Michael DiBernardo, to be brigadier general.
Col. Thomas A. Facelle, Jr., to be brigadier general.
Col. Richard J. Geehan, Jr., to be brigadier general.
Col. William H. Johnson, to be brigadier general.
Col. Harold E. Juedeman, to be brigadier general.
Col. John M. Karibo, to be brigadier general.
Col. Myrle B. Langley, to be brigadier general.
Col. John R. Layman, to be brigadier general.
Col. Alexander P. MacDonald, to be brigadier general.
Col. William M. MacInnes, to be brigadier general.
Col. John T. Olson, to be brigadier general.
Col. Robert W. Paret, to be brigadier general.
Col. Bertram W. Sealy, Jr., to be brigadier general.
Col. John J. Zito, to be brigadier general.

U.S. ARMY

The following-named officers for appointment in the Regular Army of the United States to the grade indicated under the provisions of section 601(a), Public Law 96-513, 12 December 1980, and title 10, United States Code, section 624:

Maj. Gen. Ames S. Albro, Jr., to be major general.
Maj. Gen. Andrew H. Anderson, to be major general.
Brig. Gen. (promotable) Thurman E. Anderson, to be major general.
Maj. Gen. Richard W. Anson, to be major general.
Maj. Gen. William S. Augerson, to be major general.
Maj. Gen. Donald M. Babers, to be major general.
Maj. Gen. Charles W. Bagnal, to be major general.
Maj. Gen. Floyd W. Baker, to be major general.
Maj. Gen. Quinn H. Becker, to be major general.

Maj. Gen. Robert L. Bergquist, to be major general.
Maj. Gen. Raymond H. Bishop, Jr., to be major general.
Maj. Gen. Richard D. Boyle, to be major general.
Maj. Gen. Arthur E. Brown, Jr., to be major general.
Maj. Gen. Edward M. Browne, to be major general.
Maj. Gen. John D. Bruen, to be major general.
Maj. Gen. Paul P. Burns, to be major general.
Brig. Gen. (Promotable) Andrew P. Chambers, to be major general.
Maj. Gen. Mary E. Clarke, to be major general.
Maj. Gen. Neal Creighton, to be major general.
Brig. Gen. (promotable) John S. Crosby, to be major general.
Maj. Gen. Howard G. Crowell, Jr., to be major general.
Maj. Gen. Jerry R. Curry, to be major general.
Brig. Gen. (promotable) William S. deCamp, to be major general.
Maj. Gen. Edward A. Dinges, to be major general.
Maj. Gen. Henry Doctor, Jr., to be major general.
Brig. Gen. (promotable) Robert J. Donahue, to be major general.
Maj. Gen. Benjamin E. Doty, to be major general.
Maj. Gen. David K. Doyle, to be major general.
Maj. Gen. Harry L. Dukes, Jr., to be major general.
Maj. Gen. Charles W. Dyke, to be major general.
Maj. Gen. David W. Einsel, Jr., to be major general.
Brig. Gen. (Promotable) James N. Ellis, to be major general.
Maj. Gen. Robert M. Elton, to be major general.
Maj. Gen. Vincent E. Falter, to be major general.
Maj. Gen. Joseph L. Fant, to be major general.
Maj. Gen. Charles J. Fiala, to be major general.
Maj. Gen. Robert C. Forman, to be major general.
Brig. Gen. (promotable) Robert H. Forman, to be major general.
Brig. Gen. (promotable) Charles D. Franklin, to be major general.
Maj. Gen. James E. Freeze, to be major general.
Maj. Gen. Daniel W. French, to be major general.
Maj. Gen. Niles J. Fulwyler, to be major general.
Maj. Gen. John R. Galvin, to be major general.
Maj. Gen. John D. Granger, to be major general.
Maj. Gen. Henry H. Harper, to be major general.
Maj. Gen. Thomas F. Healy, to be major general.
Maj. Gen. Elvin R. Heiberg III, to be major general.
Maj. Gen. John A. Hemphill, to be major general.
Maj. Gen. Robert L. Herriford, Sr., to be major general.
Brig. Gen. (promotable) Arthur Holmes, Jr., to be major general.
Maj. Gen. John W. Hudachek, to be major general.
Maj. Gen. William K. Hunzeker, to be major general.
Maj. Gen. Edward J. Huycke, to be major general.
Maj. Gen. Theodore G. Jenes, Jr., to be major general.
Maj. Gen. James H. Johnson, to be major general.

Maj. Gen. Vaughn O. Lang, to be major general.
 Maj. Gen. Donald R. Lasher, to be major general.
 Maj. Gen. Richard D. Lawrence, to be major general.
 Maj. Gen. Allen H. Light, Jr., to be major general.
 Brig. Gen. (promotable) Aaron L. Lilley, Jr., to be major general.
 Maj. Gen. James J. Lindsay, to be major general.
 Maj. Gen. Fred K. Mahaffey, to be major general.
 Maj. Gen. James P. Maloney, to be major general.
 Brig. Gen. (promotable) George E. Marine, to be major general.
 Maj. Gen. Carl H. McNair, Jr., to be major general.
 Brig. Gen. (promotable) Walter J. Mehl, to be major general.
 Maj. Gen. Louis C. Menetrey, to be major general.
 Maj. Gen. Bernhard T. Mitemeyer, to be major general.
 Maj. Gen. William C. Moore, to be major general.
 Maj. Gen. Max W. Noah, to be major general.
 Maj. Gen. John B. Oblinger, Jr., to be major general.
 Maj. Gen. Edward C. O'Connor, to be major general.
 Maj. Gen. Joseph T. Palastra, Jr., to be major general.
 Maj. Gen. Elmer D. Pendleton, Jr., to be major general.
 Maj. Gen. James C. Pennington, to be major general.
 Brig. Gen. (promotable) Garrison Rapmund, to be major general.
 Maj. Gen. Benjamin F. Register, Jr., to be major general.
 Maj. Gen. Roderick D. Remick, Jr., to be major general.
 Maj. Gen. Hugh G. Robinson, to be major general.
 Maj. Gen. Patrick M. Roddy, to be major general.
 Maj. Gen. Vincent M. Russo, to be major general.
 Maj. Gen. William H. Schneider, to be major general.
 Maj. Gen. Robert L. Schweitzer, to be major general.
 Maj. Gen. John W. Seigle, to be major general.
 Maj. Gen. Lawrence F. Skibbie, to be major general.
 Maj. Gen. Harold I. Small, to be major general.
 Maj. Gen. Robert B. Solomon, to be major general.
 Maj. Gen. Howard F. Stone, to be major general.
 Maj. Gen. Albert N. Stubblebine III, to be major general.
 Maj. Gen. Duane H. Stubbs, to be major general.
 Maj. Gen. Robert A. Sullivan, to be major general.
 Maj. Gen. Edward L. Trobaugh, to be major general.
 Maj. Gen. Dale A. Vesser, to be major general.
 Maj. Gen. Carl E. Vuono, to be major general.
 Maj. Gen. Louis C. Wagner, Jr., to be major general.
 Maj. Gen. David E. Watts, to be major general.
 Maj. Gen. James S. Welch, to be major general.
 Maj. Gen. Richard M. Wells, to be major general.
 Maj. Gen. James A. Williams, to be major general.
 Maj. Gen. John W. Woodmansee, Jr., to be major general.

Brig. Gen. Floyd C. Adams, Jr., to be brigadier general.
 Brig. Gen. Robert B. Adams, to be brigadier general.
 Col. (promotable) Edwin M. Aguanno, to be brigadier general.
 Brig. Gen. Anthony F. Albright, to be brigadier general.
 Brig. Gen. Jack A. Apperson, to be brigadier general.
 Brig. Gen. Norman E. Archibald, to be brigadier general.
 Brig. Gen. John C. Bahnsen, Jr., to be brigadier general.
 Brig. Gen. John L. Ballantyne III, to be brigadier general.
 Brig. Gen. Lyle J. Barker, Jr., to be brigadier general.
 Brig. Gen. Gerald T. Bartlett, to be brigadier general.
 Brig. Gen. Richard J. Bednar, to be brigadier general.
 Brig. Gen. Gerald H. Bethke, to be brigadier general.
 Brig. Gen. Frederick C. Biehusen, to be brigadier general.
 Brig. Gen. Zeb B. Bradford, Jr., to be brigadier general.
 Brig. Gen. Jack O. Bradshaw, to be brigadier general.
 Brig. Gen. James T. Bramlett, to be brigadier general.
 Col. (promotable) Joe J. Breedlove, to be brigadier general.
 Brig. Gen. Charles F. Briggs, to be brigadier general.
 Brig. Gen. Leo A. Brooks, to be brigadier general.
 Brig. Gen. Grail L. Brookshire, to be brigadier general.
 Brig. Gen. Jeremiah J. Brophy, to be brigadier general.
 Brig. Gen. Charles W. Brown, to be brigadier general.
 Brig. Gen. Dallas C. Brown, Jr., to be brigadier general.
 Brig. Gen. Frederic J. Brown III, to be brigadier general.
 Brig. Gen. John M. Brown, to be brigadier general.
 Brig. Gen. David L. Buckner, to be brigadier general.
 Col. (promotable) Robert H. Buker, to be brigadier general.
 Brig. Gen. Jerry M. Bunyard, to be brigadier general.
 Brig. Gen. Peter G. Burbules, to be brigadier general.
 Brig. Gen. Peter G. Burbules, to be brigadier general.
 Col. (promotable) William F. Burns, to be brigadier general.
 Brig. Gen. Archie S. Cannon, Jr., to be brigadier general.
 Brig. Gen. Richard G. Cardillo, to be brigadier general.
 Brig. Gen. William E. Carlson, to be brigadier general.
 Brig. Gen. Thomas E. Carpenter III, to be brigadier general.
 Col. (promotable) William S. Carpenter, to be brigadier general.
 Col. (promotable) James C. Cercy, to be brigadier general.
 Brig. Gen. Hubert T. Chandler, to be brigadier general.
 Brig. Gen. James L. Collins, Jr., to be brigadier general.
 Brig. Gen. Donald W. Connelly, to be brigadier general.
 Brig. Gen. Michael J. Conrad, to be brigadier general.
 Brig. Gen. Andrew L. Cooley, to be brigadier general.
 Col. (promotable) Johnnie H. Corns, to be brigadier general.
 Brig. Gen. Walter C. Cousland, to be brigadier general.
 Col. (promotable) Eugene R. Cromartie, to be brigadier general.

Brig. Gen. Robert T. Cutting, to be brigadier general.
 Brig. Gen. Harold M. Davis, Jr., to be brigadier general.
 Brig. Gen. Sidney Davis, to be brigadier general.
 Brig. Gen. Peter M. Dawkins, to be brigadier general.
 Brig. Gen. Donald J. Delandro, to be brigadier general.
 Brig. Gen. Norman G. Delbridge, Jr., to be brigadier general.
 Brig. Gen. James R. DeMoss, to be brigadier general.
 Brig. Gen. James L. Dozier, to be brigadier general.
 Brig. Gen. Charles F. Drenz, to be brigadier general.
 Brig. Gen. James E. Drummond, to be brigadier general.
 Brig. Gen. William R. Dwyre, to be brigadier general.
 Col. (promotable) Donald E. Eckelbarger, to be brigadier general.
 Brig. Gen. Charles H. Edmiston, Jr., to be brigadier general.
 Brig. Gen. Maurice O. Edmonds, to be brigadier general.
 Col. (promotable) Fred E. Elam, to be brigadier general.
 Brig. Gen. Jack B. Farris, Jr., to be brigadier general.
 Brig. Gen. Thomas J. Flynn, to be brigadier general.
 Brig. Gen. Johnnie Forte, Jr., to be brigadier general.
 Brig. Gen. John W. Foss, to be brigadier general.
 Brig. Gen. Eugene Fox, to be brigadier general.
 Brig. Gen. Joseph P. Franklin, to be brigadier general.
 Col. (promotable) Forrest T. Gay III, to be brigadier general.
 Brig. Gen. Charles E. Getz, to be brigadier general.
 Brig. Gen. Wendell H. Gilbert, to be brigadier general.
 Brig. Gen. Charles F. Gorden, Jr., to be brigadier general.
 Brig. Gen. William H. Gourley, to be brigadier general.
 Brig. Gen. Todd P. Graham, to be brigadier general.
 Brig. Gen. Richard G. Graves, to be brigadier general.
 Brig. Gen. Donald J. Gudinas, to be brigadier general.
 Brig. Gen. James R. Hall, Jr., to be brigadier general.
 Brig. Gen. Robert D. Hammond, to be brigadier general.
 Brig. Gen. Bruce R. Harris, to be brigadier general.
 Brig. Gen. Henry J. Hatch, to be brigadier general.
 Col. (promotable) Mildred E. P. Hedberg, to be brigadier general.
 Brig. Gen. James R. Henslick, to be brigadier general.
 Brig. Gen. Bernard M. Herring, Jr., to be brigadier general.
 Brig. Gen. Patrick J. Hessian, to be brigadier general.
 Brig. Gen. James M. Hesson, to be brigadier general.
 Col. (promotable) Jere L. Hickman, to be brigadier general.
 Col. (promotable) Donald C. Hilbert, to be brigadier general.
 Brig. Gen. Jerome B. Hilmes, to be brigadier general.
 Brig. Gen. Fred Hissong, Jr., to be brigadier general.
 Brig. Gen. Stanislaus J. Hoey, to be brigadier general.
 Col. (promotable) Curtis F. Hoglan, to be brigadier general.
 Brig. Gen. Ronald M. Holdaway, to be brigadier general.

Brig. Gen. Edward Honor, to be brigadier general.
 Brig. Gen. Houston P. Houser III, to be brigadier general.
 Brig. Gen. Victor J. Hugo, Jr., to be brigadier general.
 Brig. Gen. Cary B. Hutchinson, Jr., to be brigadier general.
 Brig. Gen. Claude T. Ivey, to be brigadier general.
 Brig. Gen. Hazel W. Johnson, to be brigadier general.
 Brig. Gen. Johnny J. Johnston, to be brigadier general.
 Brig. Gen. Homer Johnstone, Jr., to be brigadier general.
 Brig. Gen. Kenneth A. Jolemore, to be brigadier general.
 Brig. Gen. Lincoln Jones III, to be brigadier general.
 Col. (promotable) France F. Jordan, to be brigadier general.
 Brig. Gen. Robert M. Joyce, to be brigadier general.
 Col. (promotable) Walter W. Kastenmayer, to be brigadier general.
 Brig. Gen. Thomas W. Kelly, to be brigadier general.
 Brig. Gen. Richard S. Kem, to be brigadier general.
 Brig. Gen. Richard D. Kenyon, to be brigadier general.
 Brig. Gen. Claude M. Kicklighter, to be brigadier general.
 Brig. Gen. John M. Kirk, to be brigadier general.
 Brig. Gen. William E. Klein, to be brigadier general.
 Brig. Gen. Eugene S. Korpai, to be brigadier general.
 Brig. Gen. Frank F. Ledford, Jr., to be brigadier general.
 Col. (promotable) Ray H. Lee, to be brigadier general.
 Brig. Gen. Billie B. Lefler, to be brigadier general.
 Brig. Gen. Kenneth C. Leuer, to be brigadier general.
 Brig. Gen. Kenneth E. Lewis, to be brigadier general.
 Brig. Gen. Bernard Loeffke, to be brigadier general.
 Brig. Gen. Joseph C. Lutz, to be brigadier general.
 Col. (promotable) Robert G. Lynn, to be brigadier general.
 Brig. Gen. Bobby J. Maddox, to be brigadier general.
 Brig. Gen. Phillip H. Mason, to be brigadier general.
 Brig. Gen. Church M. Matthews, Jr., to be brigadier general.
 Brig. Gen. James F. McCall, to be brigadier general.
 Brig. Gen. Thomas P. McHugh, to be brigadier general.
 Brig. Gen. John H. Mitchell, to be brigadier general.
 Brig. Gen. John H. Moellering, to be brigadier general.
 Brig. Gen. Robert F. Mollnelli, to be brigadier general.
 Brig. Gen. Gerald E. Monteith, to be brigadier general.
 Brig. Gen. James E. Moore, to be brigadier general.
 Brig. Gen. Donald R. Morelli, to be brigadier general.
 Col. (promotable) Robert D. Morgan, to be brigadier general.
 Brig. Gen. John T. Myers, to be brigadier general.
 Col. (promotable) Cecil N. Neely, to be brigadier general.
 Col. (promotable) Rocco Negril, to be brigadier general.
 Brig. Gen. Thomas C. Nelson, to be brigadier general.
 Brig. Gen. Stephen E. Nichols, to be brigadier general.

Brig. Gen. John W. Nicholson, to be brigadier general.
 Brig. Gen. William E. Odom, to be brigadier general.
 Brig. Gen. William G. O'Lecky, to be brigadier general.
 Brig. Gen. Hardin L. Olson, Jr., to be brigadier general.
 Brig. Gen. Allen K. Ono, to be brigadier general.
 Brig. Gen. Donald M. O'Shea, to be brigadier general.
 Brig. Gen. Joe S. Owens, to be brigadier general.
 Brig. Gen. Dave R. Palmer, to be brigadier general.
 Col. (promotable) Ellis D. Parker, to be brigadier general.
 Brig. Gen. Julius Parker, Jr., to be brigadier general.
 Brig. Gen. Burton D. Patrick, to be brigadier general.
 Brig. Gen. Christian Patte, to be brigadier general.
 Brig. Gen. August R. Pede, to be brigadier general.
 Brig. Gen. Benjamin J. Pellegrini, to be brigadier general.
 Col. (promotable) Harry D. Penzler, to be brigadier general.
 Brig. Gen. Donald S. Phil, to be brigadier general.
 Col. (promotable) James Piner, Jr., to be brigadier general.
 Col. (promotable) Robert W. Pointer, Jr., to be brigadier general.
 Brig. Gen. Bobby B. Porter, to be brigadier general.
 Brig. Gen. William E. Potts, to be brigadier general.
 Brig. Gen. Colin L. Powell, to be brigadier general.
 Brig. Gen. Charles G. Prather, IV, to be brigadier general.
 Brig. Gen. Roger J. Price, to be brigadier general.
 Brig. Gen. John P. Prillaman, to be brigadier general.
 Brig. Gen. Hugh J. Quinn, to be brigadier general.
 Brig. Gen. Frank A. Ramsey, to be brigadier general.
 Brig. Gen. Lloyd K. Rector, to be brigadier general.
 Brig. Gen. Leonard J. Riley, to be brigadier general.
 Brig. Gen. Robert W. Riscassi, to be brigadier general.
 Col. (promotable) George R. Robertson, to be brigadier general.
 Brig. Gen. Thurman D. Rodgers, to be brigadier general.
 Brig. Gen. John E. Rogers, to be brigadier general.
 Brig. Gen. William C. Roll, to be brigadier general.
 Brig. Gen. Jimmy D. Ross, to be brigadier general.
 Col. (promotable) Jackson E. Rozier, Jr., to be brigadier general.
 Brig. Gen. Crosbie E. Saint, to be brigadier general.
 Col. (promotable) Thomas A. Sands, to be brigadier general.
 Brig. Gen. William R. Sarber, Jr., to be brigadier general.
 Brig. Gen. Richard A. Scholtes, to be brigadier general.
 Brig. Gen. Henry J. Schumacher, to be brigadier general.
 Brig. Gen. H. Norman Schwarzkopf, to be brigadier general.
 Col. (promotable) James E. Shelton, to be brigadier general.
 Brig. Gen. Mark J. Sisinyak, to be brigadier general.
 Brig. Gen. Joseph J. Skaff, to be brigadier general.
 Brig. Gen. Henry G. Skeen, to be brigadier general.

Col. (promotable) Anthony A. Smith, to be brigadier general.
 Brig. Gen. Douglas S. Smith, to be brigadier general.
 Brig. Gen. Isaac D. Smith, to be brigadier general.
 Brig. Gen. Scott B. Smith, to be brigadier general.
 Brig. Gen. Tommie G. Smith, to be brigadier general.
 Col. (promotable) Harry E. Soyster, brigadier general.
 Brig. Gen. David W. Stallings, to be brigadier general.
 Col. (promotable) Lynn H. Stevens, to be brigadier general.
 Brig. Gen. Eugene L. Stillions, Jr., to be brigadier general.
 Brig. Gen. Carl W. Stiner, to be brigadier general.
 Brig. Gen. George R. Stotser, to be brigadier general.
 Col. (promotable) Tracy E. Strevey, Jr., to be brigadier general.
 Col. (promotable) Roy M. Strom, to be brigadier general.
 Brig. Gen. Leroy N. Suddath, Jr., to be brigadier general.
 Brig. Gen. Robert J. Sunell, to be brigadier general.
 Brig. Gen. William E. Sweet, to be brigadier general.
 Brig. Gen. James R. Taylor, to be brigadier general.
 Brig. Gen. James A. Teal, Jr., to be brigadier general.
 Brig. Gen. Charles E. Teeter, to be brigadier general.
 Brig. Gen. James E. Thompson, Jr., to be brigadier general.
 Brig. Gen. Francis J. Toner, to be brigadier general.
 Brig. Gen. Gary L. Turner, to be brigadier general.
 Brig. Gen. Guthrie L. Turner, Jr., to be brigadier general.
 Brig. Gen. William G. T. Tuttle, Jr., to be brigadier general.
 Brig. Gen. Nathan C. Vall, to be brigadier general.
 Brig. Gen. James W. van Loben Sels, to be brigadier general.
 Brig. Gen. Robert E. Wagner, to be brigadier general.
 Brig. Gen. John F. Wall, Jr., to be brigadier general.
 Brig. Gen. Chester L. Ward, to be brigadier general.
 Brig. Gen. Gerald G. Watson, to be brigadier general.
 Brig. Gen. Henry G. Watson, to be brigadier general.
 Brig. Gen. Ronald L. Watts, to be brigadier general.
 Col. (promotable) Carlton P. Weidenthal, to be brigadier general.
 Brig. Gen. Sidney T. Weinstein, to be brigadier general.
 Brig. Gen. Donald P. Whalen, to be brigadier general.
 Brig. Gen. Albin G. Wheeler, to be brigadier general.
 Brig. Gen. Orren R. Whiddon, to be brigadier general.
 Brig. Gen. Howard C. Whittaker, to be brigadier general.
 Brig. Gen. Robert D. Wiegand, to be brigadier general.
 Brig. Gen. Richard W. Willmot, to be brigadier general.
 Brig. Gen. William P. Winkler, Jr., to be brigadier general.
 Brig. Gen. Leonard P. Wishart III, to be brigadier general.
 Brig. Gen. George W. Withers, Jr., to be brigadier general.
 Brig. Gen. Frederick F. Woerner, Jr., to be brigadier general.
 Col. (promotable) Jack D. Woodall, to be brigadier general.

Col. (promotable) Stephen R. Woods, Jr., to be brigadier general.

Brig. Gen. John J. Yeosock, to be brigadier general.

Brig. Gen. Robert S. Young, to be brigadier general.

Brig. Gen. Ronald W. Zeltman, to be brigadier general.

The following-named officers for appointment in the Regular Army of the United States to the grade indicated under the provisions of title 10, United States Code, sections 611(a) and 624:

Brig. Gen. Norman G. Delbridge, Jr., to be permanent major general.

Brig. Gen. Frederic I. Brown III, to be permanent major general.

Brig. Gen. Stephen E. Nichols, to be permanent major general.

Brig. Gen. Francis J. Toner, to be permanent major general.

Brig. Gen. James J. Henslic, to be permanent major general.

Brig. Gen. Leo A. Brooks, to be permanent major general.

Brig. Gen. Richard A. Scholtes, to be permanent major general.

Brig. Gen. H. Norman Schwarzkopf, to be permanent major general.

Brig. Gen. Robert M. Joyce, to be permanent major general.

Brig. Gen. Johnny J. Johnston, to be brigadier general.

Brig. Gen. Joe S. Owens, to be brigadier general.

Brig. Gen. Claude M. Kicklighter, to be brigadier general.

Brig. Gen. John F. Wall, Jr., to be brigadier general.

Brig. Gen. Victor J. Hugo, Jr., to be brigadier general.

Brig. Gen. John H. Mitchell, to be brigadier general.

Brig. Gen. Jerry M. Bunyard, to be brigadier general.

Brig. Gen. Crosbie E. Saint, to be brigadier general.

Brig. Gen. James E. Moore, to be brigadier general.

Brig. Gen. William G. O'Leary, to be brigadier general.

Brig. Gen. Thomas J. Flynn, to be brigadier general.

Brig. Gen. Robert W. Riscassi, to be brigadier general.

Brig. Gen. William E. Odom, to be brigadier general.

Brig. Gen. Henry J. Schumacher, to be brigadier general.

Lt. Gen. William Joseph Hilsman, to be brigadier general.

Gen. Robert Morin Shoemaker, to be general.

U.S. NAVY

The following-named officers of the U.S. Navy for permanent promotion to the grade indicated in the line and various staff corps, pursuant to title 10, United States Code, Sections 5780, 5781, and 5791, or sections 611(a) and 614 of the Defense Officer Personnel Management Act (Public Law 96-513), as applicable, subject to qualifications therefor as provided by law:

Line

Austin, Robert Clarke, to be rear admiral.

Baldwin, John Ashby, Jr., to be rear admiral.

Booth, Peter Blake, to be rear admiral.

Cassidy, Thomas Joseph, Jr., to be rear admiral.

Cooper, Daniel Leander, to be rear admiral.

Davis, George Wilmot, Jr., to be rear admiral.

Felt, Donald Linn, to be rear admiral.

Grich, Richard John, to be rear admiral.

Hogan, Edward Joseph, Jr., to be rear admiral.

Howe, Jonathan Trumbull, to be rear admiral.

Johnson, Roger David, to be rear admiral.

Johnston, Fred William, Jr., to be rear admiral.

Kearns, William Anselm, Jr., to be rear admiral.

Klein, Verle Wesley, to be rear admiral.

Martin, Edward Holmes, to be rear admiral.

McArthur, John Chester, to be rear admiral.

McCardell, James Elton, Jr., to be rear admiral.

McCarthy, Paul Fenton, Jr., to be rear admiral.

McCauley, William Frederick, to be rear admiral.

Moore, Charles Julian, to be rear admiral.

Moore, Virgil Wayne, Jr., to be rear admiral.

Myers, Lowell Richard, to be rear admiral.

Parker, Jackson Knowles, to be rear admiral.

Parker, John Theodore, Jr., to be rear admiral.

Peebles, Edward Metcalfe, to be rear admiral.

Piotti, Walter Theodore, Jr., to be rear admiral.

Roane, Donald Patterson, to be rear admiral.

Smith, Dickinson Miller, to be rear admiral.

Smith, William Dee, to be rear admiral.

Taylor, Clinton Wagner, to be rear admiral.

Watson, Thomas Campbell, Jr., to be rear admiral.

Wellman, Harold Nixon, to be rear admiral.

Williams, Allen Dean, to be rear admiral.

Wyatt, William Claudius, III, to be rear admiral.

Young, Harold Lawrence, to be rear admiral.

Medical corps

Lowery, Clinton Hershey, to be rear admiral.

Seaton, Lewis Hiram, to be rear admiral.

The following-named officers of the U.S. Navy for permanent promotion to the grades indicated when eligible in the line and various staff corps, pursuant to sections 611 (a) and 614 of the Defense Officer Personnel Management Act (Public Law 96-513), as applicable, subject to qualifications therefor as provided by law:

Line

Addams, John Franklin, to be commodore and rear admiral.

Almstedt, Theodore A., Jr., to be commodore and rear admiral.

Arthur, Stanley Roger, to be commodore and rear admiral.

Aut, Warren Edward, to be commodore and rear admiral.

Batzler, John Richard, to be commodore and rear admiral.

Box, Roger Elden, to be commodore and rear admiral.

Chang, Ming Erh, to be commodore and rear admiral.

Chatham, Walter Lewis, to be commodore and rear admiral.

Demars, Bruce, to be commodore and rear admiral.

Donnell, Joseph Stover, III, to be commodore and rear admiral.

Dunleavy, Richard Michael, to be commodore and rear admiral.

Fetterman, John Henry, Jr., to be commodore and rear admiral.

Flatley, James Henry, III, to be commodore and rear admiral.

Furlong, George Morgan, Jr., to be commodore and rear admiral.

Hecker, Benjamin Thurman, to be commodore and rear admiral.

Hakman, Peter Maynard, Jr., to be commodore and rear admiral.

Herberger, Albert Joseph, to be commodore and rear admiral.

Holland, William Jeremiah, Jr., to be commodore and rear admiral.

Kelso, Frank Benton, II, to be commodore and rear admiral.

Kohn, Edwin Rudolph, Jr., to be commodore and rear admiral.

Kurth, Ronald James, to be commodore and rear admiral.

MacKay, Gerald Wallace, to be commodore and rear admiral.

Marryott, Ronald Frank, to be commodore and rear admiral.

McDowell, Don Hardin, to be commodore and rear admiral.

Maronville, Kendall Elmer, to be commodore and rear admiral.

Narmi, Ronald Eugene, to be commodore and rear admiral.

Nyquist, John Walfrid, to be commodore and rear admiral.

Paulson, Allan Gerald, to be commodore and rear admiral.

Polindexter, John Marlan, to be commodore and rear admiral.

Rogers, Robert Burnett, to be commodore and rear admiral.

Schmitt, Robert William, to be commodore and rear admiral.

Severance, Laverne Stanard, Jr., to be commodore and rear admiral.

Steele, Ted Charles, Jr., to be commodore and rear admiral.

Storms, James Granville, III, to be commodore and rear admiral.

Sutherland, Paul Edward, Jr., to be commodore and rear admiral.

Thompson, Richard Lee, to be commodore and rear admiral.

Toole, Morton Egner, to be commodore and rear admiral.

Walsh, William Albert, to be commodore and rear admiral.

Williams, James Dale, to be commodore and rear admiral.

Medical corps

Cooley, Norman Vale, Jr., to be commodore and rear admiral.

Crews, Quintous Earl, Jr., to be commodore and rear admiral.

Elliott, Robert Cahoon, to be commodore and rear admiral.

McDermott, William M., Jr., to be commodore and rear admiral.

Zimble, James Allen, to be commodore and rear admiral.

Supply corps

Sansone, Joseph Sarto, Jr., to be commodore and rear admiral.

Walker, Edward Keith, Jr., to be commodore and rear admiral.

Wilson, Donald Edwin, to be commodore and rear admiral.

Civil engineer corps

Conner, Donald Lee, to be commodore and rear admiral.

Dental corps

McLeod, Carlton Joseph, to be commodore and rear admiral.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Clarence Eugene Hodges, of Maryland, to be Chief of the Children's Bureau, Department of Health and Human Services.

INTERNATIONAL BANKING ORGANIZATIONS

Myer Rashish, of the District of Columbia, to be U.S. Alternate Governor of the International Bank for Reconstruction and Development for a term of 5 years; U.S. Alternate Governor of the Inter-American Development Bank for a term of 5 years; U.S. Alternate Governor of the Asian Development Bank; and U.S. Alternate Governor of the African Development Fund.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE COAST GUARD, AIR FORCE, ARMY, AND NAVY

Coast Guard nominations beginning Irving G. Sauer, to be captain, and ending Arthur E. Henn, to be captain, which nominations

were received by the Senate and appeared in the Congressional Record on November 2, 1981.

Air Force nominations beginning Thomas F. Abbott, to be lieutenant colonel, and ending Nancy L. Wiseman, to be lieutenant colonel, which nominations were received by the Senate and appeared in the Congressional Record on November 23, 1981.

Air Force nominations beginning William J. Athas, to be lieutenant colonel, and ending Alan B. Johnson, to be lieutenant colonel, with nominations were received by the Senate and appeared in the Congressional Record on November 23, 1981.

Army nominations beginning Donald C. Askew, to be colonel, and ending Bruce Walton, to be lieutenant colonel, which nominations were received by the Senate and appeared in the Congressional Record on December 1, 1981.

Army nominations beginning Eugene Womack Allen, to be colonel, and ending George Allen J. McNamee, to be captain, which nominations were received by the Senate and appeared in the Congressional Record on December 1, 1981.

Navy nominations beginning Paul F. Abrahams, to be captain, and ending Stephen A. Zimmerman, to be lieutenant commander, which nominations were received by the Senate and appeared in the Congressional Record on November 12, 1981.

Navy nominations beginning Wilbur D. Jones, Jr., to be captain, and ending Frederick A. Aalbu, to be lieutenant (j.g.), which nominations were received by the Senate and appeared in the Congressional Record on December 1, 1981.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the nominations were confirmed.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I ask unanimous consent that the President immediately be notified that the Senate has given its consent to these nominations.

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

LEGISLATIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate return to legislative session.

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

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. BAKER. Mr. President, there is a briefing going on in another part of the Capitol to which all Senators are invited, dealing with the situation in Poland. I think it would not be wise to continue the session of the Senate during that time.

I ask unanimous consent that the Senate stand in recess subject to the call of the Chair.

There being no objection, the Senate, at 12:41 p.m., recessed subject to the call of the Chair; whereupon, the Senate reassembled at 1:44 p.m. when called to order by the Presiding Officer (Mr. LUGAR).

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, it is my hope shortly to ask the Senate to pro-

ceed with the Treasury-Postal Service appropriations bill. I will not do that at this moment because I do not believe the principals are yet on the floor and available.

After we finish with Treasury-Postal Service, Mr. President, and I hope and expect we can do that today, it would be my hope that we could go to the Nuclear Regulatory Commission reform bill.

There are other matters that may perhaps be dealt with today. It is not expected that today will be a late session of the Senate. I estimate somewhere in the range of 6 o'clock to conclude the activities of the Senate on this calendar day.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, while we await the arrival of those charged with the management of the Treasury-Postal Service bill, and before I ask the Chair to lay that measure before the Senate, I ask unanimous consent that there now be a brief period for the transaction of routine morning business, to extend not past the hour of 2 o'clock, in which Senators may speak.

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

THE HEALTH EFFECTS OF NITRATE, NITRITE, AND N-NITROSO COMPOUNDS

Mr. GRASSLEY. Mr. President, last Thursday, the 10th of December, the National Research Council of the National Academy of Sciences released a study entitled "the Health Effects of Nitrate, Nitrite, and N-Nitroso Compounds." It includes the following statement: "Evidence does not indicate that nitrite acts directly as a carcinogen in animals." Mr. President, this prestigious report brings welcome news to consumers. It also verifies the precarious and costly position imposed on producers and processors of meat products by certain governmental actions and threats of action in 1978.

First, Mr. President, I would like to share some background information with my colleagues who may not be familiar with this issue. The safety in the use of nitrites in the processing of meats came into question in 1978. For this reason, I ask that a historical perspective, which is included in the NAS report, be made part of the RECORD at this point.

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

CHAPTER 1—EXECUTIVE SUMMARY HISTORICAL PERSPECTIVE

Curing salts, some of which contain nitrate and nitrite, have been used for many centuries to preserve meat. However, the intentional use of nitrate and nitrite salts to cure meat is a relatively new practice.

Since the 1900s, the U.S. Department of Agriculture (USDA) has regulated and monitored the addition of nitrate and nitrite to red-meat and poultry products. The intentional use of these compounds was originally motivated by their ability to produce a reddish-pink color in meat. Subsequently, it was discovered that nitrite inhibited the growth of certain bacteria such as putrefactive anaerobes, which cause the spoilage

of meats, and Clostridium botulinum, which causes a foodborne intoxication—botulism.

In recent years, a number of observations have led to concern about potential risks to human health resulting from the use of nitrate and nitrite. At present, primary concern is focused on the possibility of carcinogenic effects, especially since nitrite can interact with substrates such as amines or amides to produce N-nitroso compounds, which can contaminate the nitrite-preserved foods. Many of these N-nitroso compounds (which include nitrosamines) are known to cause cancer in many animal species. In mid-1978, this concern was exacerbated by the results of a 2-year feeding study in animals, which suggested that nitrite per se causes cancer. These results would have necessitated the banning of nitrite in order to comply with the Food Safety Provisions and, for some uses of nitrite, the Delaney Clause of the Food, Drug and Cosmetics Act, which proscribes the addition of known carcinogens to foods. However, further evaluation of these data suggested that the initial conclusion may not have been justified. Not only did the effects of nitrate and nitrite on human health need to be fully assessed, their contribution to the total body burden of nitrosamines had also to be determined. Thus, in 1980 the USDA and the Food and Drug Administration (FDA) asked the National Academy of Sciences to examine the current state of knowledge concerning these issues and to assess the status of research on curing agents that can be used as alternatives to nitrite.

Mr. GRASSLEY. At that time, when I was a Member of the other body, the Food and Drug Administration and the Department of Agriculture were preparing legislative and regulatory steps to ban the use of nitrites in the processing of meats. Shortly after these efforts began, I learned that the study on which the agencies were basing their actions was less than conclusive.

These reports concerned me because, of course, consumer protection must be based on the most complete information available, and I urged the agencies to reexamine their findings and conclusions. Two points were of particular concern to me: First, were consumers about to be exposed unnecessarily to meats that could cause death because of botulism (a danger in the absence of nitrites); and second, was an unnecessary cloud of uncertainty being raised over meat products, especially pork, which were processed with nitrite.

It has been estimated that the Nation's pork producers suffered nearly \$1 billion in damages through just those actions the Government did take. If the governmental agencies had not been questioned and held in check, their actions might have dealt a devastating blow to pork producers, one-fourth to one-third of whom are located in Iowa. We must remember that in 1978 it was not generally recognized that our food safety laws were outdated and in need of revisions—in particular that governmental agencies needed to reexamine how they determined regulatory decisions such as the one pertaining to nitrites.

Because of my concern, I asked Iowa State University to organize a study group to look over the primary data used by the governmental agencies in forming their policies vis-a-vis nitrites. This study group went to work immediately, and their conclusions indicated that the

evidence did not support the pending actions of the governmental agencies.

In addition, Congressman WAMPLER asked the Library of Congress to examine all the material, including internal memos, that related to this issue. Their findings pointed out such serious shortcomings as that there was essentially no peer review of the study used by the agencies—only the Commissioner of the Food and Drug Administration and selected individuals saw the study and contributed to the decision. If you have the interest and time to read this report, I urge you to do so in order to see just how governmental agencies should not go about making a decision. It surely does not do much toward instilling confidence in our agency decisionmakers.

I and several of my House colleagues at that time in 1978 asked the General Accounting Office to look into this matter. The GAO report agreed basically with those of the other groups I have mentioned, in finding that the decision-making process in the agencies was poorly executed and that the conclusions of the report did not warrant the actions contemplated by the agencies.

Now we have this report from the National Academy of Sciences. I hope that it will, once and for all, reassure American consumers that nitrites are not directly linked to cancer.

As we all know, legislation has been introduced in both Houses of Congress that addresses the issue of our food safety laws and the handling of the decisionmaking process on these issues. The "nitrite fiasco" certainly made all too clear the need for public debate and revision of these laws. Early this year I testified before the House Agriculture Committee on legislation dealing with the peer review process in this regard, and it is my understanding that there will be hearings in the Senate in late January or early February on amendments to the food safety laws.

I am pleased that we are moving forward with this public debate, but I can assure you it has been a long struggle—sometimes an unpopular one. For the benefit of my colleagues, I ask unanimous consent that the recommendations of the executive summary of the report of the National Academy of Sciences be included in the RECORD.

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

RECOMMENDATIONS

1. Results of limited experiments suggest that nitrate is neither carcinogenic nor mutagenic. However, evidence from several epidemiological studies in human populations is consistent with the hypothesis that exposure to high levels of nitrate may be associated with an increased incidence of cancer of the stomach and the esophagus. Thus, the committee recommends that to confirm these preliminary findings, future epidemiological studies focus on correlating the incidence of cancer and established precursor lesions with actual exposure to nitrate, nitrite, N-nitroso compounds, nitrosatable substances, and inhibitors or enhancers of nitrosation. Where possible, exposure should also be correlated with levels of nitrate, nitrite, and N-nitroso compounds in biological fluids such as blood, saliva, or urine.

2. Evidence does not indicate that nitrite acts directly as a carcinogen in animals.

However, because it is mutagenic in microbial systems and because of its implied role in the induction of esophageal and stomach cancer in humans, further testing in animals may be warranted. If such tests provide any indication of carcinogenicity, then the committee recommends that attempts be made to distinguish between the types of carcinogenic activity, i.e., activity as a complete carcinogen, cocarcinogen, or promoter.

3. Most N-nitroso compounds are carcinogenic in laboratory animals, mutagenic in microbial and mammalian test systems, and some are teratogenic in laboratory animals. Although these tests are indicative of potential carcinogenicity in humans, they are of limited value for predicting the quantitative risk to humans. The committee recommends that future carcinogenicity assays emphasize quantitative assessment of potency as well as the qualitative outcome. It also recognizes the need to characterize premalignant lesions induced by N-nitroso compounds and to develop short-term *in vivo* bioassays to determine their carcinogenicity.

4. Because nitrate and nitrite can exert acute toxic effects such as methemoglobinemia and probably contribute significantly to the total body burden of N-nitroso compounds, which are carcinogenic in laboratory animals and may be carcinogenic in humans, the committee recommends that exposure of humans to these agents be reduced. Exposure to nitrite should be reduced to the extent that protection against botulism is not compromised. Additionally, the committee recommends that, with the exception of dry-cured products and fermented sausage products in which the presence of nitrate may be necessary, the use of nitrate salts in the curing process be discontinued in all meat and poultry products. Furthermore, the committee suggests that attention should be given to the feasibility of reducing the nitrate content of vegetables and drinking water and that further studies should be conducted to develop methods to reduce nitrate in vegetables while maintaining the content of ascorbic acid and other inhibitors of nitrosation.

5. The committee suggests that the sources of exposure to N-nitroso compounds in various environmental media be determined so that methods to reduce the exposure to these contaminants can be developed. Standardized analytical methods are needed to assess the total body burden of nonvolatile N-nitroso compounds. In addition, it is necessary to obtain accurate estimates of exposure to nitrate and nitrite by improving the assay procedures, especially to distinguish between free and bound nitrate, and to determine whether the residual nitrite is a true measure of nitrosating capacity.

6. The exposure of humans to amines and nitrosamines can be reduced in certain circumstances by modifying manufacturing practices that result in high levels of exposure. For example, pesticides produced as secondary and tertiary amine salts could be replaced by other formulations and certain readily nitrosated drugs could be replaced by drugs that have the same therapeutic effect but are not nitrosated. Further research should be conducted to identify amino compounds that could be nitrosated *in vivo*, especially those that are readily nitrosated or to which humans are extensively exposed.

7. The committee believes that additional studies are needed to increase understanding of the metabolism and pharmacokinetics of nitrate in humans. Also requiring clarification is the role of bacteria in the reduction of nitrate to nitrite and the formation of N-nitroso compounds, especially in certain clinical conditions such as gastric achlorhydria and bladder infection.

8. The nitrosation-inhibiting effects of ascorbate and other substances have been established, and this knowledge has been put to use commercially to inhibit the formation

of nitrosamines in bacon. Normal dietary constituents that enhance or inhibit nitrosation should be studied further to determine the extent of their effects in the diet and *in vivo*. Specifically, further research is needed to determine the amount of nitrite that is destroyed in the human stomach and the extent to which nitrosation reactions are modified by the various inhibitors. Attention should also be paid to interactions among inhibitors, catalysts, and other components of the diet (e.g., lipids). The nature and extent of *in vivo* nitrosation by nitrite, by nitrogen oxides, and by transnitrosation also require further evaluation.

9. Further studies are required to determine the mechanisms whereby nitrite controls the outgrowth of *C. botulinum* spores. Research is also needed to determine its mechanism of action in cured meats, especially its antioxidant activity and its effect against microorganisms that are responsible for spoilage and against pathogens other than *C. botulinum*. Since the effect of nitrite varies considerably among products, it should be examined on a product-by-product basis.

10. Although it is not possible to estimate the potential morbidity or mortality from *C. botulinum* in the absence of nitrite as a curing agent in certain products, the prudent approach to protecting public health requires consideration of the possibility that certain preserved food items may be contaminated and may be abused.

11. In view of the possible but unquantified risk resulting from the use of nitrite as a curing agent, the committee recommends that the search for alternatives and alternative approaches to the use of nitrite be continued. However, no new agent or combination of agents should be substituted for nitrite until adequate testing has ensured that it does not present a hazard to human health.

U.S.S. CORPUS CHRISTI

Mr. GRASSLEY. Mr. President, perhaps nothing better exemplifies the wrong-headedness of certain segments of the peace movement in the United States than the controversy over naming a U.S. submarine the "Corpus Christi." I read with interest an article by William F. Buckley, Jr., in last Friday's Washington Post, which is a lucid account of the controversy. Since I will request, at the appropriate time, that the article be made a part of today's RECORD, I will not bother to recount the details of the controversy. I would, however, like to highlight a portion of the article. At one point, Mr. Buckley quotes from a letter written to Bishop Thomas J. Drury from the Secretary of the Navy, John Lehman.

My concern as a Catholic with the theme that seems to underlie this issue: that naval ships and even military service are somehow profane and less worthy of association with the Sacred Name than, for example, the city itself. I am sure that the real significance of the name of our submarine, suggestive of unity and peace among men, will be reflected in the profession of her commander and crew. They recognize that their essential mission is to keep the peace. A noble, ethical and virtuous mission . . . fully recognized in traditional church teaching.

Mr. President, I am strongly reminded of a story that is told about George Washington. At the Constitutional Convention a delegate rose to propose that the Constitution include a provision that the Army of the United States never be larger than 5,000 men. Now, Washington was presiding over the convention and,

therefore, could not himself make a motion, so he turned to another of the delegates and said "Amend that motion to say that no enemy will invade our shores with more than 3,000 men." Needless to say, Mr. President, the motion to limit the size of the Armed Forces was not adopted.

I do not think any one of us in this body would not rather live in a world where it would be unnecessary to spend 1 penny on defense. Perhaps, with God's grace, we will be able to build such a world. Unfortunately, we must live in the world as it is—a world in which armed conflict and aggression are common occurrences. In such a world, we must be able to defend ourselves if we are to remain free. We may inhabit a more complicated world than George Washington did, but that fact has not altered.

Mr. President, I ask unanimous consent that the article by William F. Buckley appear at this point in the RECORD.

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

USS CORPUS CHRISTI

(By William F. Buckley, Jr.)

The failure at the end to have remarked rapturously on the virtues of our secretary of the Navy is to be taken as evidence not of his shortcomings, but of mine. He has transferred much energy and intelligence in the enterprise of rebuilding our fleet, which suffered as much devastation at the hands of President Carter, whose name will live in infamy, as at Pearl Harbor. But his prodigies as a shipbuilder are not the subject of this column, which addresses his stirring exchange with Bishop Thomas J. Drury of Corpus Christi, Tex.

Here is what happened. The elders of Corpus Christi put pressure on the Navy Department to name a vessel after the city, an altogether conventional request, particularly coming from a city by the sea. The Navy acknowledged the request by naming a newly commissioned nuclear submarine the Corpus Christi. The city passed a formal resolution of gratitude and that would have been that—except that Bishop Thomas J. Drury wrote to Secretary John Lehman to protect, on the grounds that it was not fitting to name a warship "Corpus Christi."

One assumes that Bishop Drury is an elderly bishop, and therefore recalls, from the days when Latin was the universal liturgical instrument of the church, what exactly Corpus Christi means, which is "body of Christ." Twenty years after Hiroshima, a group of modernists within the Catholic Church ganged up against the use of Latin, so that the sons of Corpus Christi are probably unaware what it actually is that their city is named after. On the other hand, that knowledge is presumably not denied to the Russians, whose KGB can penetrate most secrets, regardless of how zealously the modernists in the Vatican protect them.

So Secretary Lehman answered the bishop, and began by reminding him that naming a naval vessel "Corpus Christi" was not a historical precedent, since we deployed vessels so named during World War II and Vietnam. The Brazilian navy has a vessel called Espiritu Santo—and so on.

Lehman then reflected on the positive effects that can come from recalling the historical background of American creations, which include not only submarines, but also cities. We cannot know whether the crime rate in Los Angeles would diminish if it were widely advertised that the city was named

after Our Lady, Queen of Angels, but it could hardly hurt. The alternative, of course, is to take such names as "St. Paul, Minn.," and strip them of their Christian heritage; but that would be the opposite of exorcism, hardly commending itself to the bishop of Corpus Christi, who precisely wishes to remind us what the city's name is supposed to celebrate.

Then Lehman jollied the bishop along by reminding him that wholly secular uses of saintly references are simply a fact of life, and who can change it?—as when you run into such headlines in the sport pages as "B.C. Crushes Holy Cross," or, "St. Andrews Edges Holy Spirit." As a graduate of St. Joseph's College in Pennsylvania, the secretary is presumably familiar with the problem.

But then Lehman struck. He quoted from St. Augustine ("To maintain peace within the natural order of men, rulers require the power and decision to declare war") and St. Paul ("Not without cause does he carry a sword, for he is God's minister").

"My concern is as a Catholic with the theme that seems to underlie this issue; that naval ships and even military service are somehow profane and less worthy of association with the Sacred Name, than, for instance, the city itself. I am sure that the real significance of the name of our submarine, suggestive of unity and peace among men, will be reflected in the profession of her commander and crew. They recognize that their essential mission is to keep the peace. A noble, ethical and virtuous mission . . . fully recognized in traditional church teaching."

The bishop probably wishes he had been hit by the submarine, rather than its commander. Let us pray for him, as we do for peace.

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

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

CONDEMNING THE POLISH CRACKDOWN

Mr. SPECTER. Mr. President, I wish today to comment about the serious and sad events in Poland over the weekend and Poland's declaration of martial law, which I believe to be an unconscionable assault on the forces of freedom in Poland.

During the past year, we have all watched the emergence of Solidarity with hope and admiration. Gradually, and without violence, the trade unionists began to lift the oppression of the Communist regime. Each concession offered by the Polish Government in my view, represented a victory for human rights and human dignity.

The decision to arrest Solidarity's leaders again bluntly reminds us of the intolerance and tyranny of Communist governments. It is a tragic irony that the regime felt compelled to silence the very workers whose welfare it is supposed to be concerned about.

It is my sincere hope that the situation will be resolved without bloodshed. The response of the U.S. Government has been very restrained in terms of simply

noting our concern about the right of the Poles and our monitoring the situation with the hope and expectation that there will not be Soviet intervention.

Mr. President, I personally hope that there will be a lifting of martial law and a release of the some 1,000 of Solidarity's leaders and others who are alleged to be in custody to return Poland to the road toward democracy.

This is a time of special trial and tribulation of American citizens of Polish extraction, who are watching the events in Poland. I think it is an event which ought to be commented upon in terms of the oppressiveness and inappropriateness of the action of the Soviet Government in declaring martial law. I hope that that situation will soon be ended for the benefit of freedom and democracy in Poland.

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

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

DELIBERATE RECESSION: PULLING THE PLUG ON ECONOMIC RECOVERY

Mr. ROBERT C. BYRD. Mr. President, last July, as our economy sank into recession, after the shortest expansion period since 1919, Treasury Secretary Regan said:

All I know is that our economy is slowing down, and I think that's healthy.

Then in October, Commerce Secretary Baldrige said:

A slight recession, I think, is almost necessary right now.

Well, the administration's tight money policies have now produced a recession. Nine million people stand in unemployment lines, stripped of the basic dignity of a job, 15,892 businesses have padlocked their doors forever, and housing starts are at a 16-year low.

Economic retrenchment is an expensive, cynical, and painful policy. It is a policy without a heart.

The Republican Governor of Vermont, Richard Snelling, recently told the League of Cities Annual Convention in Detroit that:

Frankly, I think that what is happening is that we are having an economic Bay of Pigs.

Unfortunately, the frontline soldiers of the economic assault are unwilling conscripts who have lost their jobs or their businesses.

The only way we will bring our budget into balance, lower interest rates, and beat inflation is to put our people back to work. High unemployment means lower Government revenues and greater Government spending. It means more crime, lower productivity, and increased tension in our cities.

Instead of new growth, we have got no growth. Instead of new economic vistas, we have got a new economic waste-

land. Instead of Hoover's Dustbowl, we have got Reagan's Rustbowl as our industrial heartland stands idle.

This administration's policies could have led nowhere but here. As David Stockman's musings have revealed, the administration had no plans beyond its roller coaster rhetoric which hid a program of pain and suffering for the savers, investors, and workers of this country, and reward for the speculators and truly wealthy.

The Democratic Policy Committee has assembled the facts about this administration's economic program in a document entitled the "Recession Review." This review shows clearly that its policies are not working.

This administration's so-called economic recovery plan has failed, and the patient's vital signs are weakening. I call on the administration to prescribe a course of treatment, instead of simply pulling the plug on our economy.

I ask unanimous consent that a copy of the "Recession Review" be included in the RECORD.

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

RECESSION REVIEW

"We think you probably will see a turning of the (economic) tide, probably later this year; the early expectations being reflected in that"—Treasury Secretary Regan, February 19, 1981.

"Literally what no one knows at this point is just how deep a recession we are going to be in . . . the current quarter may be a real downer"—Treasury Secretary Regan, November 9, 1981.

WHERE WE ARE

"I think there's a slight recession, and I hope a short recession"—President Reagan, October 18, 1981.

Most economists agree that the United States has now slipped into its eighth post-war recession. After a strong first quarter rise of 8.6 percent, the nation's real GNP has flattened out dramatically, falling by 1.6 percent in the second quarter and rising a slight 0.6 percent in the third. Though the traditional definition of a recession requires two consecutive quarters of declining real GNP, nearly all economic indicators show that the economy is in a recessionary decline.

Official recessions are declared by the Business Cycle Dating Committee of the National Bureau of Economic Research, a private, non-profit research organization in Cambridge, Massachusetts. When declaring a recession, the Committee looks not only at the two-consecutive-quarters benchmark (the duration), but also at how many industries, businesses and services are affected by the downturn in the economy (the breadth), and at how far real GNP falls (the depth). The next meeting of the Dating Committee will most likely be in January, at which time it is expected to officially announce that the economy sunk into a recession last July.

While the recession is currently unofficial, the effects are all too real for our nation's 8.5 million unemployed workers and the 15,243 businesses which have been forced into bankruptcy this year. Many economists believe that the worst news is not yet upon us. Howard Samuels told a recent Democratic Thursday Afternoon Issues meeting that October was "like hitting a brick wall" for the business community. There is a growing concern that this recession could be our nation's worst since World War II, surpassing the prolonged 1973-75 downturn.

This concern is increased by looking at the

standard economic indicators. In September, the Commerce Department's Composite Index of Leading indicators fell 2.7 percent, its sharpest decline since a 4 percent drop in April of 1980. This September decline followed a 0.5 percent drop in August, and was the fourth downturn in the last five months. In addition, the Composite Index of Roughly Coincident indicators declined for the second consecutive month, falling almost 1 percent below its cyclical peak in July.

These composite economic indicators are not alone in pointing to a more severe recession. Among other warning signs are:

HOUSING

The housing industry traditionally has been an accurate barometer of the nation's economy. Housing starts are a particularly reliable leading indicator of the economy's direction. That is, housing starts decline before the rest of the economy weakens, and they begin to rise before the rest of the economy climbs out of recession. On average, housing starts lead general economic recovery by slightly more than six months. Over the course of 1981, there has been a consistent decline in housing starts, and there are no signs of a near-term recovery.

Another leading indicator is the number of building permits issued. Like housing starts, the number of building permits issued begins to rise ahead of the general economy. Again, there has been a significant drop during 1981, with no indications of improvement in the immediate future.

According to the National Association of Home Builders, the housing slump is expected to continue well into 1982. The Home Builders' current forecast is for a recovery to begin during the third quarter of next year. Most housing analysts agree that the problems facing the housing industry stem from the depressing effect that high mortgage rates, currently at 17.7 percent, have on home sales. As the number of home sales drops, new construction slows, and the consensus is that mortgage rates must fall to 12 percent or 13 percent before there will be a recovery.

Housing starts plunged 6.8 percent in October to an annual rate of only 857,000, the lowest level in 16 years. The October decline was a continuation of a year-long downward spiral which has caused housing starts to decline by 42 percent since January.

Building permits for new residential structures fell 14.2 percent in October to a level lower than the levels reached during the depths of the 1973-75 recession. The October annual rate of 729,000 was 40 percent below the annual rate of building permits issued in January.

New single-family home sales dropped 12.6 percent in September to the lowest one month level on record.

Sales of existing homes fell sharply in October to an annual rate of only 1.92 million units, the first time in ten years that the number of units sold has dropped below two million.

THE "FLIGHT TO QUALITY" IN INVESTMENT

One sign of a recession is a "flight to quality" in financial investments. In an effort to protect their holdings, investors move out of riskier money funds and stocks and into the most secure investments possible. As this occurs, the increased demand for safe investments lowers the interest rates paid by secure instruments. A good indication of this "flight to quality" is the 91-day Treasury bill interest rate, since it is one of the safest investments available. Over the last two months, the rates on these bills have declined steadily, and dramatically.

As of November 23rd, the yield of 91-day Treasury bills was more than six percentage points below the peak yields paid in May of this year. Since the beginning of Octo-

ber, the rates on these bills have fallen rapidly:

91-Day T-Bills, new issues

October 5th, 14.2 percent; October 26th, 13.4 percent; November 2nd, 12.7 percent; November 9th, 11.1 percent; November 16th 10.7 percent; and November 23rd, 10.6 percent.

BUSINESS STRENGTH

Inventory accumulation is an important measure of business strength, and is a leading indicator of the general economy. It is not only a sign of current sales weakness, but also an indication of future economic weakness. As larger inventories pile up, businesses have to run down their current stock before placing new orders. This leads to a slowdown in manufacturing, which can spread even further as the manufacturers slow their orders for new goods. This chain reaction causes a widespread economic decline, with lower productive output, idle plants and equipment, and decreasing productivity.

As a leading economic indicator, inventory accumulation reaches a low point, and begins climbing, before other areas of the economy. Productive output, capacity utilization, and productivity, on the other hand, generally move in tandem with the whole economy, and are therefore classified as coincident indicators.

Another indicator of business strength is the number of business failures. Traditionally, the bankruptcy rate rises during a recessionary period in the economy. Over the course of 1981, the business failure rate has been well above the pace of previous years, and has been increasing through the year.

After rising a relatively small \$4.5 billion in the first quarter of 1981, inventory accumulation peaked in the second quarter, increasing by \$23.3 billion. Most analysts foresaw a dramatic slowdown in accumulation during the third quarter, as businesses began to rundown their stocks. Surprisingly, inventory accumulation continued at a strong pace of \$17.6 billion in this period.

The Index of Industrial Production, which accounts for one-third of the total GNP, and measures the total output of all stages in manufacturing, mining, and utilities, dropped 1.5 percent in October, following a revised 1.2 percent decline in August.

The Rate of Capacity Utilization, which measures the amount of idle equipment in our nation's factories, continued to decline in October. Factories operated at 76.9 percent of capacity in October, down considerably from September's 78.4 percent rate and August's 79.6 percent pace. The drop in October was the fourth downward movement in capacity utilization in the last five months.

Productivity in the non-farm sector fell at a 2.2 percent annual rate during the third quarter, after rising 4.3 percent in the first quarter and 1.4 percent in the second.

As of November 19th, the total number of business failures in 1981 climbed to 15,243, setting the average weekly number of failures to 331, a pace 43 percent above last year's weekly rate. If the current weekly rate is maintained through the end of the year, the number of bankruptcies for all of 1981 will exceed 17,200, the highest level since 1933.

BUSINESS CONFIDENCE

Business confidence in future economic growth can be measured by current and planned spending for basic production materials. If business expects economic growth and prosperity, demand for capital goods should be rising. However, economic indicators suggest that business has little confidence in the short-term future. This is particularly important since the Reagan economic program leans heavily on an expected surge in capital spending by the private sector.

New orders of non-defense capital goods declined, in real terms, by 10.0 percent in September to \$11.3 billion.

In October, new orders for manufacturer's durables (equipment with a life of three or more years, measured in constant (1972) dollars), fell to \$34.99 billion, a staggering drop of 8.6 percent. The October decline was the third straight monthly decrease, following a 2.9 percent fall in August and a 1.6 percent decrease in September.

In September, machine tool orders dropped to a level 50 percent below their 1980 level.

Contracts and orders for plant and equipment have fallen substantially over the course of 1981. In real terms, they declined 7.2 percent to a level of \$12.85 billion during September. With respect to their peak level of \$15.4 billion in December, 1980, contracts and orders have declined by 16.6 percent.

Capital spending plans for 1982 appear to be weak. According to the McGraw-Hill autumn survey of plant and equipment spending plans, business plans to expand its spending for capital goods by 9.6 percent. However, since inflation expectations by business are equal to that figure, real spending plans are completely flat.

CONSUMER PLANS

Retail sales reflect the strength of our economy's consumer sector. On average, retail sales move downward in tandem with the economy, but begin to climb 1½ months before the rest of the economy.

For the last two years, as our economy struggled to avoid a serious downturn, retail sales were the most important component of demand stimulus which allowed the economy to avoid a recession. Now it appears that retail sales are weakening dramatically and without a countervailing surge in business investment, the current recession could be deeper and longer than now expected.

According to a Washington Post-ABC News survey conducted November 17-22, three out of five Americans plan to cut back their spending during the Christmas season this year. Forty percent of those surveyed said they have had to forego purchases this year because of high interest rates.

Retail sales measured in current dollars plunged 1.5 percent in October for the fifth monthly sales drop this year.

In October, domestic auto sales plummeted 24.6 percent below the seasonally adjusted annual sales rate in September. The unadjusted number of cars sold during the month dropped 26 percent from last October and was the lowest selling rate for that month in 23 years.

In the same Washington Post-ABC News poll, 55 percent of those surveyed said the nation's economy is getting worse, 11 percent said it was getting better, and 33 percent said it was staying the same.

THE ROAD TO OUR CURRENT RECESSION

"All I know is that our economy is slowing down, and I think that's healthy," Treasury Secretary Donald Regan, July 12, 1981.

If the Dating Committee of the National Bureau acts as it is expected to, and declares July the month our current recession began it would mean that, one year after having emerged from the 1980 recession, our 1981 recession began. This would be the shortest expansion period since 1919. By comparison, the average recovery period since 1853 has been 31 months.

We may now be experiencing a real recession after two years of fitful economic performance. Chart I and Table I, in the Appendix, illustrate real GNP performance since the beginning of 1979. The chart shows the overall economic flatness which left us moving into the final quarter of 1981 only \$32.9 billion above the first quarter, 1979, real GNP figure of \$1.479 trillion.

This flatness disguised a two-tiered economy, with housing and autos leading credit-

sensitive sectors to near depression levels, while oil, defense, and non-food retail operations chugged along at healthy levels. Looking at the percent change in profits, as reported in Business Week, since the third quarter, 1979, the two-tiered economy becomes obvious:

CORPORATE PROFITS

Percent change, 3d quarter 1979 versus 3d quarter 1978

Industry Average, plus 22 percent.

The Best

Conglomerates, plus 100 percent.

Fuel, plus 97 percent.

Metals and Mining, plus 89 percent.

Paper and Forest Products, plus 60 percent.

Tobacco, plus 48 percent.

Chemicals, plus 34 percent.

The Worst

Real Estate and Housing, minus 6 percent.

Trucking, minus 6 percent.

Tire and Rubber, minus 67 percent.

Airlines, minus 74 percent.

Appliances, net loss.

Automotive, net loss.

Percent change, full year 1980 vs. full year 1979

Industry Average, plus 3 percent.

The Best

Steel, plus 55 percent.

Oil Svc. & Supply, plus 46 percent.

Appliances, plus 44 percent.

Beverages, plus 27 percent.

The Worst

Building Materials, minus 23 percent.

Tire & Rubber, minus 28 percent.

Savings & Loan, minus 55 percent.

Airlines, minus 89 percent.

Automotive, net loss.

Percent change, 3rd quarter 1981 vs. 3rd quarter 1980

Industry Average, plus 11 percent.

The Best

Steel, plus 1,603 percent.

Tire and Rubber, plus 114 percent.

Oil Svc. & Supply, plus 48 percent.

Chemicals, plus 36 percent.

Retail (Nonfood), plus 22 percent.

Beverages, plus 19 percent.

The Worst

Food & Lodging, minus 11 percent.

Paper, minus 21 percent.

Metals & Mining, minus 25 percent.

Airlines, minus 30 percent.

Building Materials, minus 35 percent.

Real Estate and Housing, minus 76 percent.

Savings & Loan, net loss.

Automotive, net loss.

Looking at the industrial production indices, which measure current production as a percentage of production in 1967, the inter-industry differences are just as clear. Charts 11-14, which graph various production indices, show that the production of industrial equipment, commercial, transit, and farm equipment, as well as defense and space equipment were all up. On the other hand, the production of automobiles and construction supplies fell steadily, while consumer durables, represented by appliances, air conditioners and televisions, ended near their first 1979 level.

Naturally, this two-tiered economy was represented in unemployment. The industrial heartland, including Michigan, Ohio, and Pennsylvania, plus the lumber industry in the Pacific Northwest, were hit the hardest, while States like Nebraska and Oklahoma were at near full employment levels. In October 1981, although only the 10 largest States have reported, we see that the range runs from 12.7 percent unemployment in Michigan, and 10.4 percent in Ohio to 5.1 percent in Texas. State-by-State analyses of September unemployment levels appear in Table 4, in the Appendix.

Unemployment differentials among the races is also apparent, even in official unemployment indicators, which have historically understated the rate of minority unemployment. As of October 1981, the rate of unemployment for all workers was 8.0 percent, but it was 6.9 percent for whites, 10.9 percent for Hispanics, and 16.7 percent for blacks. The most egregious case of unemployment's sectoral nature, however, is the case of black teenagers, where unemployment levels rose from a shocking 40.6 percent in October 1980 to 46.3 percent in October 1981. Interestingly, comparing all adult men with all adult women, there was no great difference. It was 6.7 percent for men and 7.0 percent for women.

All indications are, however, that this recession is beginning to move beyond the blue-collar and basic industry sectors to affect a broader range of workers. The movement is beginning in the wholesale and retail trades, agriculture and the finance industries. This is not to say that things are improving in the automotive and construction industries, as the table below makes clear.

Percent unemployed by industry [In percent]

	October, 1981	October, 1980
Construction	18.0	14.6
Manufacturing	8.6	9.2
Transportation	4.6	5.3
Wholesale and retail trade	8.3	7.8
Finance	6.3	5.6
Government	4.6	4.4
Agricultural	13.3	11.1

THE ROAD OUT OF THE CURRENT RECESSION

"We may be headed for something like the depression . . . I wish we had better economic advice."—An unidentified Senate Republican, Washington Post, November 3, 1981.

"The second half of 1982 will be one of the most vigorous periods of economic growth in recent years."—Murray Weidenbaum, Face the Nation, November 15, 1981.

There is a general belief, or perhaps a general hope, that the scheduled 1982 tax cuts will bring the country out of the recession in the second half of the year. Traditionally, a tax cut is stimulative, and it has been one of the major Keynesian countercyclical weapons during recessions. That is one argument against delaying or reducing the personal tax cut due in July 1982.

Sooner or later, when discussing the path out of this recession, we must come back to interest rates. If interest rates, particularly the long-term rates, remain at, or near, their current levels, in the 1982 tax cuts may not be enough to substantially shorten the recession. There is convincing evidence that the 1981 tax cut has failed to make any headway against this current recession for just this reason.

Speaking to the Economic Club of Indianapolis on September 14, 1981, Secretary of the Treasury Regan said:

"We have carried through on our commitments . . . but where is the business response? Where are the new research and development initiatives? Where are the new plants? Where are the expansion plans? It's like dropping a coin down a well—all I'm hearing is a hollow clink."

The Secretary is correct that the effect of the Reagan program to date has been unimpressive, and one clue to this may lie with the interest rate levels. According to a recently completed Chemical Bank report: "... high interest rates this year have cost corporations more than they gained from the tax cuts, and they will continue to provide a

considerable offset to the corporate tax cut of next year."

Interest rates, in particular the long-term rates that corporate borrowers use for capital investment, must begin to come down if new investment is to become profitable.

Traditionally, interest rates decline during recessions, and the current recession seems to be no exception at this point, with the prime rate dropping from 20.5 percent to 16.0 percent, and 91-Day Treasury Bill rates dropping from 14.2 percent on October 5 to 10.6 percent on November 23. However, the key rates to recovery are those for long-term loans that corporations need to finance capital investments that will not pay for themselves in a few years.

Here, there may be substantial problems in bringing rates down enough to support a strong recovery. A few of the more prominent difficulties are:

Competition for borrowing among private businesses, and between businesses and Government, may continue to hold long-term interest rates above acceptable levels. It is widely believed that pent-up business demand for credit runs into the hundreds of billions of dollars. This demand will run head on to ballooning Federal deficits, combined with ballooning State and local borrowing, which will soak up an increasing share of available credit as deficits approach, and pass the \$100-billion-a-year mark through 1984. This will, naturally, keep interest rates high.

The Federal Reserve Board may not loosen its tight money policy sufficiently, as it has traditionally done during a recession. Chairman Volcker is convinced that little progress has been made against inflation. Continued tight money policy will mean a continued shortage of credit, and high interest rates.

The money markets are primed to react perversely to an easing of money targets. The Wall Street Journal quotes an official of Weyerhaeuser who expresses the business/financial consensus on high money growth: "... it would increase economic activity all right, but at the expense of further inflation." The Administration, and the Federal Reserve Board have made the large business and financial community into monetarists, so the reaction to eased money availability is likely to include expectations of higher future inflation, which means higher interest rates.

Many banks and other lenders were caught by surprise in the 1979-81 inflation bout, and lost money on long-term, low interest loans. These banks are wary of renewed inflation, and will be cautious about long-term loans, demanding a healthy inflation premium. Further, because of their recent losses, many institutions are using the current level of interest rates to make up for lost profits.

In the end, if we are to climb out of recession and escape the sluggish economy of our last few years, interest rates will have to remain well below current levels.

LENGTH OF RECESSIONS IN THE POST-WORLD WAR II ERA

If the recession were to end next July, as Murray Weidenbaum recently predicted on "Face the Nation", it would be a twelve month recession, compared to a post-war recession average of 11.3 months. The seven previous recessions have been:

November 1948-October 1949 (12 months).
July 1953-May 1954 (11 months).
August 1957-April 1958 (9 months).
April 1960-February 1961 (11 months).
December 1969-November 1970 (12 months).

November 1973-March 1975 (17 months).
January 1980-July 1980 (7 months).

It should be noted that five of the seven post-World War II recessions occurred during Republican administrations. The exact

duration of each recession is not a matter on which all economists agree, but the National Bureau of Economic Research does set the official standards, which are reflected above.

LABOR AND RECESSION

This recession could hardly be more ill-timed for labor. As the corporate profits table above makes clear, the automotive industry is ending its third straight year of net loss, and the food industry's profits are down, as are the earnings positions of many other companies. No one expects 1982 to be a particularly bright year for industry, yet it is the year of pattern-setting bargaining for the next three years' wage cycle, and labor is in its weakest position in years.

Labor represents a smaller percentage of the total workforce than it has since the late 1930's, and its stronghold industries are the ones primarily crippled by high interest rates and the current recession.

This scenario will receive more in depth treatment as the negotiations approach, but the major negotiations are listed below:

Unions and Contract Expiration:
Oil Chemical and Atomic Workers, January 7.

Teamsters, March 31.
Rubber Workers, April 19.
Garment Workers, May 30.
Electrical Workers, June 30/July 15.
United Food and Chemical Workers, August 31.

United Auto Workers, September 14/September 30.

Recent negotiations in the automobile and steel industries have not gone well for labor. The Chrysler wage concessions, followed by hard pre-bargaining talk by General Motors' management, and an ultimatum by Ford in Alabama have marked a sour year for the United Auto Workers. Likewise, the Steel Workers were recently forced to accept a contract with Timken Company of Canton, Ohio, which included an 11-year no-strike clause. This clause was a firm condition of Timken's proposed \$500 million investment in new plant and equipment for Canton.

The bargaining position that large unions appear to be adopting is that any wage concessions, including cost-of-living allowance (COLA) eliminations, must be coupled with increased job security and worker participation in shopfloor level decision-making.

APPENDIX

This appendix includes tables and charts which will be updated monthly or quarterly, as appropriate, during the course of the recession, as well as brief explanations of the most reliable cyclical indicators included.

BRIEF EXPLANATION OF INDICES

Economic time series are useful tools for analyzing and forecasting business cycles. Composite indices are summary measures designed to indicate changes in the direction of aggregate economic activity. Each composite index measures the average behavior of a group of economic time series that represents different activities and sectors within the economy, but which show similar timing at business cycle turns. In contrast to composite indices individual time series are more narrowly focused on single types of economic activity. Though their measurement of economic activity is not as broad, individual time series are equally useful cyclical indicators.

The Number of Persons Unemployed and the Unemployment Rate are measures of unemployment within the civilian labor force. Both are lagging indicators during movements from recession to recovery which trail the economy by an average of 3.8 months.

The Composite Index of Leading Indicators is a group of 12 time series which forecast changes in the business cycle. On average, during periods of declining economic performance, the Index of Leading

Indicators reaches a low approximately four and one-half months before the economy.

The Composite Index of Roughly Coincident Indicators is composed of four time series which, as its name implies, generally moves in tandem with the economy. On average, the Index of Roughly Coincident Indicators and the economy both reach lows within one month of each other during periods of economic recession.

The Rate of Capacity Utilization, Manufacturing is the ratio of manufacturing production to manufacturing capacity. It coincides with the economy during changes in the business cycle from periods of economic decline to recovery.

The Composite Index of Capital Investment Commitments is a subgroup of the Index of Leading Indicators and is composed of three time series more specifically related to business investment. The Index of Capital Investment Commitments has a lead time of about two months in advance of the economy during shifts from economic decline to recovery.

New Private Housing Units Started, Total measures the number of private housing units on which construction is started each month in the United States. It is classified by cyclical timing as a leader at turning points in the business cycle and, on average, leads the economy by approximately six months during changes from declining to expanding economic activity.

The Index of Industrial Production, Total measures the monthly changes in industrial production in all stages of the manufacturing, mining, and gas and electric utility industries. It is classified by cyclical timing as a coincider during shifts from recession to recovery.

TABLE 1.—Gross national product, constant (1972) dollars
[In billions]

	1979	1980	1981
I Quarter ---	1,479.9	1,501.9	1,516.4
II Quarter --	1,473.4	1,463.3	1,510.4
III Quarter -	1,488.2	1,471.9	1,512.8
IV Quarter -	1,490.6	1,485.6	

TABLE 2.—Number of unemployed
[In thousands]

	1979	1980	1981
January ----	5,958	6,500	7,847
February ----	5,993	6,454	7,754
March -----	5,956	6,543	7,764
April -----	5,918	7,202	7,746
May -----	5,776	7,944	8,171
June -----	5,718	7,811	7,784
July -----	5,738	8,021	7,502
August -----	6,057	7,942	7,657
September ---	5,971	7,800	7,966
October ----	6,132	7,961	8,520
November ----	6,104	7,946	
December ---	6,272	7,785	

TABLE 3.—Unemployment rate, total
[In percent]

	1979	1980	1981
January -----	5.8	6.2	7.4
February -----	5.9	6.2	7.3
March -----	5.8	6.3	7.3
April -----	5.8	6.9	7.3
May -----	5.6	7.6	7.6
June -----	5.6	7.5	7.3
July -----	5.6	7.6	7.0
August -----	5.9	7.6	7.2
September ----	5.8	7.4	7.5
October -----	5.9	7.6	8.0
November ----	5.9	7.5	
December ----	6.0	7.4	

TABLE 4.—Unemployment rate, State-by-State September 1981

	In percent
Michigan	10.7
Ohio	10.0
Alabama	9.8
D.C.	9.5
Indiana	9.1
Oregon	9.0
Washington	8.8
Mississippi	8.3
Pennsylvania	8.2
Florida	8.0
W. Virginia	8.0
Tennessee	8.0
Louisiana	8.0
Illinois	8.0
Alaska	8.0
Arkansas	7.9
S. Carolina	7.6
Maryland	7.2
California	7.0
New York	6.9
Delaware	6.9
New Mexico	6.7
Idaho	6.6
Wisconsin	6.6
Nevada	6.6
Kentucky	6.5
Massachusetts	6.5
Rhode Island	6.4
Missouri	6.3
New Jersey	6.3
Georgia	6.1
Connecticut	6.0
Maine	6.0
Iowa	5.9
Utah	5.9
Arizona	5.9
Virginia	5.6
Montana	5.5
N. Carolina	5.4
Texas	5.3
Hawaii	5.3
Colorado	5.0
Minnesota	4.6
New Hampshire	4.6
Vermont	4.2
S. Dakota	4.2
Kansas	3.9
N. Dakota	3.8
Wyoming	3.5
Nebraska	3.4
Oklahoma	3.2

TABLE 5.—COMPOSITE INDEX OF LEADING INDICATORS [1967=100]

	1979	1980	1981
January	142.6	134.7	135.2
February	142.3	134.2	135.1
March	143.2	131.5	136.7
April	140.3	126.2	137.5
May	141.4	123.0	135.2
June	141.6	123.9	134.0
July	141.2	128.1	134.4
August	140.1	130.7	133.7
September	140.1	134.4	130.1
October	137.8	135.0	130.1
November	135.6	136.5	130.1
December	135.2	136.3	130.1

TABLE 6.—COMPOSITE INDEX OF ROUGHLY COINCIDENT INDICATORS [1967=100]

	1979	1980	1981
January	144.8	146.1	142.0
February	144.9	145.2	142.5
March	146.6	143.5	142.4
April	144.1	140.5	142.2
May	145.6	138.0	142.2
June	145.0	136.7	142.5
July	145.4	136.5	142.6
August	145.0	136.7	142.2
September	144.9	138.1	141.3
October	145.1	139.7	141.3
November	145.0	140.8	141.3
December	145.2	141.3	141.3

TABLE 7.—RATE OF CAPACITY UTILIZATION, MANUFACTURING

	In percent)		
	1979	1980	1981
January	86.6	84.0	80.0
February	86.8	83.6	79.8
March	87.2	82.7	79.8
April	85.3	80.3	79.8
May	86.3	77.6	80.0
June	86.1	75.7	79.7
July	86.0	74.9	79.8
August	84.9	75.8	79.6
September	85.2	77.0	78.4
October	84.8	78.2	76.9
November	84.4	79.3	76.9
December	84.1	79.8	76.9

TABLE 8.—COMPOSITE INDEX OF CAPITAL INVESTMENT COMMITMENTS [1967=100]

	1979	1980	1981
January	113.9	111.6	106.6
February	113.9	109.9	105.2
March	115.5	107.8	105.2
April	113.6	104.3	106.4
May	113.3	103.2	105.2
June	113.9	104.5	103.8
July	113.6	106.1	103.3
August	112.9	107.0	102.6
September	114.0	108.8	101.8
October	112.7	107.3	101.8
November	112.0	108.2	101.8
December	112.4	108.3	101.8

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

The majority leader is recognized.

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS, 1982

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 4121, the Treasury-Postal Service appropriations bill.

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

The bill clerk read as follows:

A bill (H.R. 4121) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1982, and for other purposes.

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

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. ABDNOR. Mr. President, the Treasury, Postal Service, general government appropriations bill now before the Senate provides funding for 62 Federal agencies and functions and it carries a total cost of \$9,397,072,000. That is almost a billion dollars below last year's appropriation.

I might say that the legislative notice which is on the desk of each Senator is not an accurate accounting of this bill. Other actions on the appropriations bill have been taken since its publication.

Funding in this bill provides for four of the most important functions of the

Federal Government. These functions are law enforcement, collection of revenues, the world's largest postal service, and policymaking for the most powerful Nation in the free world.

The U.S. Treasury Department is the world's largest law enforcement organization. Upon its bureau falls the task of policing counterfeiting and forgery and protecting people and places by the Secret Service; the smuggling of contraband is covered by the U.S. Customs Services; tax evasion is policed by the Internal Revenue Service and arsonists, rum runners and terrorist bombers are watched by the Bureau of Alcohol, Tobacco and Firearms. It could truly be said that Treasury collects more money, processes more tax returns, issues more checks to pay Federal bills, arrests more people for violations of law, and keeps the largest set of financial books in the world.

The U.S. Postal Service handles more pieces of mail, delivers it to more places and processes it in more stations than any other nation on Earth. For instance, the mail load of New York City is larger than the total handled by any other nation on Earth.

The General Services Administration is our Nation's housekeeper. It has charge of more than 10,000 buildings, operates the largest supply business in the world and is the largest construction force in existence.

Our committee bill funds the White House and executive offices, and provides the funds for decisionmaking which affects the lives of every human being on Earth.

More than 560,000 employees are provided for in this bill and this constitutes more than one-fourth of the entire Federal work force. It follows, therefore, that the largest single cost factor in the bill is wages.

It has been my honor to chair the subcommittee's efforts toward developing this legislation, however, I must give full credit to my colleagues on the subcommittee, and in particular pay special tribute to our ranking minority member, the Senator from Arizona (Mr. DeCONCINI). He has been a faithful and cooperative colleague throughout many long and tedious hours of hearings, meetings, and markup.

I should also note that as the first-year chairman of the subcommittee, I owe a special thank you to the chief clerk Burkett Van Kirk. His knowledge and experience was invaluable to me and other members of the subcommittee during our deliberations on this bill.

Mr. President, at a later time I will submit an amendment giving 5-percent transfer authority to the Department of the Treasury. This amendment will vitiate the language on page 3 of our report which was issued prior to the President's most recent budget submission. The committee now feels that the Department of the Treasury needs the 5-percent transfer authority in view of their severely reduced budget.

Mr. President, I will also submit another amendment increasing the trans-

fer authority between accounts for the General Services Administration to 5 percent. Once again it is our feeling that the General Services Administration, like the Department of the Treasury, has been so severely reduced that satisfactory and adequate operations may become impossible.

Mr. President, the committee report contains guidelines and instructions to the agencies that are just as valid today as when the committee wrote the report. We expect that where applicable and proper, each agency must in good faith carry out the intent and earmarkings contained in our report. For instance, under IRS the committee expects that the \$1 million earmarked to provide tax counseling for the elderly will be carried out in toto. Additionally, the committee's instructions regarding the Postal Service revolving fund are to be explicitly carried out as are prohibitions against closing small post offices, instituting less than 6-day mail delivery or mandatory implementation of a 9-digit ZIP code.

Pertaining to the GSA, the committee expects the GSA Administrator to follow to the letter insofar as possible the directives of our report irrespective of the recent September budget reductions. For example, we expect that the earmarking for the national historical records program will be faithfully implemented, and that certain construction projects will be pursued forthwith.

Mr. President, due to printing errors, I ask unanimous consent to make the following technical amendments:

On page 12, line 19, insert a stricken "\$13,200,000" before the figure "\$12,210,000."

On page 28, line 5, "\$20,131,000" instead of "\$17,715,000." I send the amendment to the desk.

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

Mr. ABDNOR. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc and the bill as thus amended be regarded for the purpose of amendment as original text provided that no point of order shall be considered to have been waived by agreeing to this request.

Mr. DENTON. Mr. President, reserving the right to object, if the Senator from South Dakota would kindly modify his request to exempt from his request the committee amendment striking from the bill section 619, the so-called Ashbrook amendment, I would have no objection. If the Senator could not see his way clear to agree with this, I have to object at this time.

Mr. ABDNOR. Mr. President, I so modify my request.

Mr. DENTON. Mr. President, I thank the Senator. I have no objection.

The PRESIDING OFFICER (Mr. MURKOWSKI). Without objection, it is so ordered.

Mr. DENTON. Thank you, Mr. President.

On page 2, line 16, strike "\$36,007,000" and insert "\$35,029,000";

On page 2, line 23, strike "not to exceed \$2,000,000", and insert "\$1,075,000";

On page 3, line 1, strike "\$22,300,000" and insert in lieu thereof "\$20,149,000";

On page 3, line 11, strike "\$14,279,000" and insert in lieu thereof "\$12,566,000";

On page 3, line 15, strike "\$209,304,000" and insert in lieu thereof "\$153,826,000";

On page 3, line 23, strike "\$150,591,000", and insert "\$120,473,000";

On page 4, line 10, beginning with the colon, strike through and including line 12; On page 4, line 21, strike "\$499,743,000", and insert "\$503,468,000";

On page 4, line 22, beginning with "of", strike through and including "and" on line 23;

On page 5, line 5, strike "\$25,000", and insert "\$20,000";

On page 5, line 9, after the colon, insert the following:

Provided further, That none of the funds provided in this Act shall be used to close the Phoenix, Arizona Air Radar Support and Air Intelligence facility; the Albuquerque, New Mexico Air Interdiction facility; the El Paso, Texas Air Interdiction facility, or any other Air Interdiction base or support facility in Arizona, New Mexico, or Texas.

On page 5, line 19, strike "\$52,206,000", and insert "\$45,941,000";

On page 6, line 4, strike "\$206,625,000" and insert in lieu thereof "\$184,000,000";

On page 6, line 14, strike "\$168,436,000" and insert in lieu thereof "\$148,224,000";

On page 6, line 20, strike "\$867,572,000", and insert "\$812,886,000";

On page 6, line 21, strike "\$660,000", and insert "\$1,000,000";

On page 7, line 6, strike "\$933,513,000" and insert in lieu thereof "\$901,813,000";

On page 7, line 15, strike "\$617,428,000" and insert in lieu thereof "\$602,628,000";

On page 7, line 21, strike "\$500,000" and insert in lieu thereof "\$440,000";

On page 8, line 9, strike "\$179,224,000", and insert "\$180,324,000";

On page 8, line 23, after the colon, insert the following:

Provided further, That the \$1,600,000 appropriated in Public Law 97-12, approved June 5, 1981, for the costs of construction and installation of a White House complex security system shall remain available until expended.

On page 10, strike line 14, through and including line 19;

On page 11, line 6, beginning with "and for", strike through and including page 11, line 17, and insert the following: \$869,240,000.

Provided, That none of the funds provided in this Act shall be used to consolidate or close small rural and other small post offices in the fiscal year ending on September 30, 1982; *Provided further*, That none of the funds provided in this Act shall be used to curtail six-day mail delivery or any other existing postal service in the fiscal year ending on September 30, 1982; *Provided further*, That none of the funds provided in this Act shall be used to mandate the implementation of nine-digit ZIP code in the fiscal year ending on September 30, 1982.

On page 12, line 5, after "\$250,000", insert the following:

Provided, That none of the funds made available for official expenses shall be expended for any other purpose and any unused amount shall revert to the Treasury pursuant to section 701 of title 31 of the United States Code; *Provided further*, That none of the funds made available for official expenses shall be considered as taxable to the President.

OFFICE OF ADMINISTRATION

SALARIES AND EXPENSES

For expenses necessary for the Office of Administration, \$12,210,000, including services authorized by 5 U.S.C. 3109 and 3 U.S.C. 107, and hire of passenger motor vehicles.

THE WHITE HOUSE OFFICE

SALARIES AND EXPENSES

On page 13, line 10, strike "\$22,278,000" and insert in lieu thereof "\$19,664,000";

On page 14, line 11, strike "\$1,640,000" and insert in lieu thereof "\$1,443,000";

On page 14, line 16, strike "\$2,263,000" and insert in lieu thereof "\$2,035,000";

On page 14, after line 16, insert the following:

OFFICE OF POLICY DEVELOPMENT

SALARIES AND EXPENSES

For necessary expenses of the Office of Policy Development including services as authorized by 5 U.S.C. 3109, and personal services as authorized by 3 U.S.C. 107, \$2,604,000.

On page 15, line 5, strike "\$3,939,000" and insert in lieu thereof "\$3,496,000";

On page 15, line 11, strike "\$33,416,000", and insert "\$33,416,000";

On page 15, line 17, strike "\$2,628,000" and insert in lieu thereof "\$2,453,000";

On page 15, line 22, strike "\$1,000,000" and insert in lieu thereof "\$880,000";

On page 16, line 8, strike "\$1,217,000", and insert "\$1,095,000";

On page 16, line 14, strike "\$1,822,000" and insert in lieu thereof "\$1,751,000";

On page 16, line 18, strike "\$218,000" and insert in lieu thereof "\$192,000";

On page 17, line 2, strike "\$621,000" and insert in lieu thereof "\$546,000";

On page 17, line 6, strike "\$9,662,000", and insert "\$9,365,000";

On page 18, line 8, strike "\$1,836,200,000", and insert "\$1,855,467,000";

On page 18, line 9, strike "\$40,464,000", and insert "\$57,791,000";

On page 18, after line 13, insert the following:

Arizona:

San Luis, Border Station, \$6,866,000

On page 18, strike line 21 through and including line 22;

On page 18, after line 24, insert the following:

Kentucky:

Ashland, Courthouse and Federal Office Building, \$8,339,000

On page 19, after line 6, insert the following:

Nebraska:

Omaha, Federal Office Building, \$4,566,000, for site acquisition and design

South Carolina:

Charleston, Post Office and Courthouse Annex, \$5,400,000

On page 19, line 17, after "\$2,570,000", insert the following:

"Advance Design Work, \$5,000,000";

On page 20, line 1, strike "\$197,380,000", and insert "\$198,581,000";

On page 21, after line 22, insert the following:

South Carolina:

Charleston, Post Office, Courthouse, \$1,201,000

On page 23, line 2, strike "\$721,700,000", and insert "\$722,439,000";

On page 23, line 15, strike "none of the";

On page 23, strike line 17, through and including "for" on line 20;

On page 24, line 11, strike "\$1,836,200,000", and insert "\$1,855,467,000";

On page 24, line 22, strike "\$135,142,000" and insert in lieu thereof "\$118,925,000";

On page 25, line 5, strike "\$16,330,000" and insert in lieu thereof "\$15,166,000";

On page 25, line 15, strike "\$89,999,000", and insert "\$79,294,000";

On page 25, line 15, after "which", insert "up to";

On page 25, line 16, strike "\$1,000,000", and insert "\$3,000,000";

On page 26, line 2, strike "\$13,399,000" and insert in lieu thereof "\$11,791,000";

On page 26, line 17, strike "\$47,189,000", and insert "\$41,658,000";

On page 27, line 5, strike "\$100,000,000" and insert in lieu thereof "\$60,000,000";

On page 27, line 21, strike "\$134,031,000" and insert in lieu thereof "\$119,878,000";

On page 28, line 5, strike "\$20,131,000" and insert in lieu thereof "\$17,715,000";

On page 31, line 19, strike "\$119,800,000", and insert "\$105,424,000";

On page 32, line 13, after "expended," insert the following:

"including payments for the fiscal year ending September 30, 1981";

On page 33, line 11, strike "\$15,037,000" and insert in lieu thereof "\$13,233,000";

On page 34, line 2, strike "\$4,373,000" and insert in lieu thereof "\$3,848,000";

On page 34, line 12, strike "\$16,812,000", and insert "\$14,795,000";

On page 34, line 22, strike "\$12,404,000" and insert in lieu thereof "\$11,000,000";

On page 36, line 1, strike "Civil Service Commission", and insert the following:

"Office of Personnel Management";

On page 37, after line 3, insert the following:

SEC. 506. No part of any appropriation contained in this Act shall be available for the procurement of, or for the payment of, the salary of any person engaged in the procurement of stainless steel flatware not produced in the United States or its possessions, except to the extent that the Administrator of General Services or his designee shall determine that a satisfactory quality and sufficient quantity of stainless steel flatware produced in the United States or its possessions, cannot be procured as and when needed from sources in the United States or its possessions, or except in accordance with procedures provided by section 6-104.4(b) of Armed Services Procurement Regulation, dated January 1, 1969. This section shall be applicable to all solicitations for bids issued after its enactment.

On page 37, line 18, strike "506", and insert "507";

On page 37, line 24, strike "507", and insert "508";

On page 38, line 4, strike "508", and insert "509";

On page 44, line 13, after "(318)", insert the following: "but shall not be restricted to certain Federal property as otherwise required by the proviso contained in said section,";

On page 46, strike line 16, through and including line 6 on page 47, and on page 47, strike line 16, through and including line 20.

Mr. ABDNOR. Mr. President, I further ask unanimous consent that the majority and the minority managers of the bill have the authority upon their joint agreement to lay aside temporarily this committee amendment.

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

Mr. ABDNOR. I shall be happy to notify the Senator from Alabama when we consider the amendment.

At this time I yield to the ranking minority member of the committee who has been so helpful, Senator DeCONCINI.

Mr. DeCONCINI. Mr. President, I thank the chairman for his kind remarks.

This is one of the leanest, toughest appropriations bills that I have seen come to the Chamber since I entered the Senate 5 years ago. The distinguished chairman of the subcommittee, Senator ABDNOR, has already outlined the aggregate total for the bill, but I believe that they bear some repeating.

On September 22, the Appropriations Committee reported a bill that totaled \$9,827,130,000 or \$38 million below President Reagan's March 1981 budget estimate of \$9,864,638,000. Then on September 30, the President submitted additional budget revisions and reduced the aggregate budget estimates for activities and programs within the Treasury bill by \$722.3 million to a new level of \$9,142,274,000. Finally, on October 22, the full committee met to consider a package of

budget modifications to the committee-reported bill that were crafted by the chairman of the Treasury Subcommittee, Senator ABDNOR, and myself, in response to the President's call for more cuts in discretionary programs. These modifications were approved by the committee and incorporated into H.R. 4121 on November 17.

The bill, as modified on November 17, totals \$9,397,072,000 which is \$254,798,000 over the new Reagan budget estimates, but is \$467,566,000 below the President's March 1981 budget estimates; \$430,058,000 below the committee bill as reported on September 22; \$348,220,000 below the House-passed bill; and \$919,852,000 below fiscal year 1981 for the Treasury bill. By any measure, this bill is an exceptional example of fiscal restraint.

Frankly, Mr. President, there are a number of items in this bill that I was extremely reluctant to reduce at all below the levels approved by the full committee in September. In fact, there are two major law enforcement agencies within the Treasury Department where no reductions were proposed below the amounts contained in the committee-reported bill. They were the U.S. Customs Service and the U.S. Secret Service. Both of these agencies play a major role in our Federal law enforcement effort and should be funded at the committee-passed levels.

It was with great reluctance and with serious reservations that I agreed to modify the committee-passed levels for the Internal Revenue Service, particularly in the areas of examinations and appeals, investigations and collections, and taxpayer service and returns processing. The committee-passed bill had contained funding levels for these activities that I felt were appropriate in light of the important taxpayer service and law enforcement activities involved under these accounts. Under normal economic conditions, I would not have agreed to any modification to these important IRS activities. However, in the spirit of cooperation with the President in his effort to further reduce discretionary spending next year, the chairman and I agreed to the modifications that are incorporated in this bill.

Mr. President, I will highlight the various provisions of the bill.

Mr. President, in view of the rather unorthodox procedure that has been followed this year in handling modifications to the bill that was reported by the full Senate Appropriations Committee on September 22, I believe that it is critical to spell out in some detail the various provisions of the Treasury bill and also address the status of the committee report (Senate Report 97-192) as it is affected by the modifications approved on October 22 by the committee. As you know most of the numbers outlined in the committee report have changed significantly.

However, there are important directives earmarkings, and recommendations contained in the report that are still applicable and should be considered binding by the agencies, commissions, boards, and departments affected. Let me proceed title by title through the bill

and make reference to those key provisions in the committee report that should be brought to the attention of the Senate and the agencies funded in this bill.

TITLE I: DEPARTMENT OF THE TREASURY

Appropriations in the bill, as modified, for the Department of the Treasury total \$3,725,901,000 which is \$50,685,000 over the President's revised budget estimates, \$202,985,000 below his March estimates, and \$235,961,000 below the House-passed bill.

Within the Office of the Secretary, international affairs activity, the committee has not changed its recommendation that a limitation of \$1,075,000 be provided for travel, and has proposed that a full 12-percent cut below the President's March estimates be approved.

The committee has recommended that the funding level reported out of committee on September 22, 1981 for the U.S. Customs Service remain at \$503,468,000, which is an increase of \$52,267,000 over the revised budget estimates, \$23,457,000 over the March budget estimates, and \$3,725,000 more than the House bill. The committee bill proposes a floor on Customs employment at the April 30, 1981 level, and has recommended in its report (S. Rept. 97-192) that the 625 positions proposed for reduction by the administration be restored. Included in the committee's recommendations is one that would provide an additional 220 inspector positions over 1981 levels next year. The committee's decision not to reduce its original recommendations for the U.S. Customs Service is a clear indication of the committee's deep concern about the drug enforcement and passenger facilitation activities, where inspectors are of critical importance. If we are to maintain our drug enforcement posture in fiscal year 1982, these additional resources for the Customs Service are essential.

The committee has also proposed an add-on of \$5 million for the Customs air interdiction program—a major deterrent to the flow of illegal drug traffic into the southeastern and southwestern sectors of the country.

INTERNAL REVENUE SERVICE

With great reluctance, the committee-passed bill has been modified to reduce funding levels for the Internal Revenue Service below those levels recommended on September 22. A total of \$2,465,551,000 has been proposed for IRS which is \$100,098,000 below the March budget estimates, \$12 million over the President's revised estimates, and \$121,398,000 below the House. Within the taxpayer service and returns processing account, the committee has retained the \$1 million earmarking for the tax counseling for the elderly program (TCE).

Frankly, I believe that the cuts in the taxpayer service and revenue-generating accounts, that is, examinations and appeals, investigations and collections, and taxpayer service and returns processing, are too deep. However, in order to help achieve the President's goals of cutting the budget, I have reluctantly and with great reservation gone along with the modifications before you.

Finally, the committee has not recommended any modifications to the \$180,324,000 proposed for the Secret Service,

another key law enforcement agency with critical protection and investigative functions.

TITLE II: U.S. POSTAL SERVICE: PAYMENT TO THE POSTAL SERVICE FUND

The committee has modified its September 22 recommendations for the Postal Service subsidy and proposed an appropriation of \$869,240,000, the same aggregate amount recommended by the President in March but with a different mix. The committee had proposed an appropriation of \$946,240,000 for the Postal Service, including \$250 million for public service subsidies and the balance of \$696,240,000 for so-called revenue foregone subsidies. The modification before you would provide the same amount for the public service subsidy but would provide only \$619,240,000 for revenue foregone funding.

However, the administration has proposed only \$619 million for the postal subsidy, including total elimination of the public service subsidy. The committee believes that it is important to continue at a reduced level the public service subsidy, and maintain the revenue foregone funding level at a level that is \$119,240,000 more than the level proposed in the President's March budget estimate.

Therefore, the appropriation recommended by the committee for the Postal Service is \$77 million below the level recommended by the committee in September but is \$250 million more than the President's latest budget estimates.

The committee has retained language in the bill which would preclude the closing or consolidation of small post offices, would prohibit the curtailment of 6-day delivery, and would prohibit the use of subsidy funds to mandate the implementation of 9-digit ZIP code.

TITLE III: EXECUTIVE OFFICE OF THE PRESIDENT

The committee bill, as modified, contains a total of \$82,310,000 for the offices within the Executive Office of the President. This amount is \$10,851,000 below the March budget estimates, \$2,163,000 below the House, and \$284,000 below the most recent budget estimates submitted on September 30.

The committee has essentially proposed going along with the President's revised budget for all of the entities which comprise the Executive Office of the President, with slightly deeper reductions targeted for the Office of Management and Budget, the Executive Residence, and unanticipated needs.

TITLE IV: INDEPENDENT AGENCIES

This title contains funding for a number of small agencies, boards, commissions, and offices, including the General Services Administration, the Federal Election Commission, and the Office of Personnel Management.

The total appropriation contained in the committee bill, as modified, for these title IV entities is \$4,719,621,000, which is \$45,603,000 below the current, revised budget estimates, \$253,730,000 less than the March budget estimates, and \$110,096,000 below the House-passed bill.

The major bulk of title IV funding goes for the General Services Administration.

The modified committee bill proposes sharp reductions in almost every function of this agency. In fact, the modified bill would reduce GSA funding by \$43,184,000 below the President's revised budget and \$112,734,000 below the March estimates. The committee has, however, preserved the September 22 recommended funding level of \$20,131,000 for the Office of Inspector General at GSA, an important watchdog activity at this troubled agency.

Within the Federal buildings fund at GSA, a number of important building projects have been approved by the committee, including: A border station at San Luis, Ariz., a courthouse at Madison, Wis., a courthouse and Federal office building at Ashland, Ky., startup funding for a Federal office building in Omaha, Nebr., a post office and courthouse annex in Charleston, S.C., a lease construction project in Tallahassee, Fla., and design funding for the Bonneville Power Administration Federal Building in Oregon. Funding levels for the Federal building fund were not reduced by the President in his package of budget revisions on September 30.

Under the National Archives and Records Service operating expenses account, the committee continues to recommend that up to \$3 million be provided within the total Archives appropriation to sustain the national historical publications and records grant program in fiscal year 1982. The House has earmarked \$1 million for this program next year. The committee believes that this small, but important program should be continued next year at the level discussed in Senate Report 97-192.

In most of the other accounts under title IV, the committee has gone along with the President's revised budget with the exception of the Merit Systems Protection Board and the U.S. Tax Court, where the committee has recommended going below the revised budget estimates.

WASTE, FRAUD, AND ABUSE

The committee has included an important section of language in its report which addresses the issue of waste, fraud, abuse, and mismanagement, and outlines some specific directives to the Office of Management and Budget in this regard. The committee has directed OMB to provide a full report to the committee by March 15, 1982 on the levels of funding within each agency, department, and instrumentality of the Government for consultant services, audiovisual and certain other public relations publications, and debt collection activities.

It is crucial that the Appropriations Committee have this fundamental data next year so that it can focus its attention on the appropriate levels of funding that these activities should receive. I remain convinced that \$3 to \$4 billion of waste can be saved by reducing these and other administrative expenditures, while, at the same time, accelerating our debt collection effort substantially.

Mr. President, again, this is a lean, tough appropriation bill and I recommend that it be approved.

Mr. President, in closing I shall take just a moment to pay tribute to the

chairman of the subcommittee, Senator AEDNOR, who, in his first year as chairman of a major appropriation subcommittee, has done an excellent job of guiding this important appropriation bill through some stormy shoals. He has had to face not one, not two, but three different budgets since January. He has sat through weeks of hearings and markup sessions, and he has had to balance the fiscal marching orders of his President with the need to protect important programs in this bill, particularly those involving law-enforcement activities.

As the ranking minority member of the subcommittee, I have enjoyed working with Senator AEDNOR in bringing this bill to the floor and I appreciate the cooperation and courtesy he has shown me over this past year. I also thank his able majority clerk, Burkett Van Kirk and Bobb Mills for working so closely with the minority staff of this bill.

If the chairman, Senator AEDNOR, has no objection, I will offer an amendment at this time.

THE PRESIDING OFFICER. Does the Senator from Arizona lay aside the committee amendment?

Mr. DECONCINI. Mr. President, I ask unanimous consent to lay aside the committee amendment and move to the amendment I will send to the desk.

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

Mr. DECONCINI. I thank the Chair.

UP AMENDMENT NO. 787

(Purpose: To improve the ability of the U.S. Secret Service to protect the President of the United States and other designated protectees)

Mr. DECONCINI. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

THE PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Arizona (Mr. DECONCINI) for himself and Mr. KENNEDY, proposes an unprinted amendment numbered 787.

Mr. DECONCINI. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 47, after line 20, insert the following:

SEC. 617. Section 1752 of title 18, United States Code, is amended (1) by amending the title of such section to read as follows:

"§ 1752. Temporary residences and offices of the President and others";

(2) in subparagraph (1) of paragraph (1) of subsection (a) by amending such paragraph to read as follows:

"(1) any building or grounds designated by the Secretary of the Treasury as temporary residences of the President or other person protected by the Secret Service or as temporary offices of the President and the President's staff or any other person protected by the Secret Service, or";

(3) in subparagraph (1) of paragraph (1) of subsection (a) by inserting the words "or other person protected by the Secret Service" after the word "President";

(4) in paragraph (1) of subsection (d) by amending such paragraph to read as follows:

"(1) to designate by regulations the buildings and grounds which constitute the temporary residences of the President or other person protected by the Secret Service and the temporary offices of the President and the President's staff or of any other person protected by the Secret Service, and";

(5) in paragraph (2) of subsection (d) by inserting the words "or other person protected by the Secret Service" after the word "President"; and

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

"(f) As used in this section the term 'other person protected by the Secret Service' means any person authorized to receive the protection of the United States Secret Service pursuant to section 3056 of title 18, United States Code, or Public Law 90-331, as amended, who has not declined such protection."

SEC. 2. (a) Chapter 41 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 79. Threats against certain other United States Secret Service protectees

"(a) Whoever knowingly and willfully threatens to kill, kidnap, or inflict bodily harm upon a former President of the United States; a major candidate or the spouse of a major candidate for the Office of the President or Vice President; or a member of the immediate family of the President, the President-elect, the Vice President, the Vice President-elect, or a former Vice President who is receiving Secret Service protection, shall be fined not more than \$1,000 or imprisoned not more than five years, or both.

"(b) As used in this section—

"(1) 'major candidate or the spouse of a major candidate for the Office of President or Vice President' means any person receiving Secret Service protection pursuant to provisions of Public Law 90-331, as amended;

"(2) 'immediate family' includes—

"(A) any person who is related by blood, marriage, or adoption to the President, President-elect, the Vice President, or the Vice President-elect and who receives Secret Service protection; or

"(B) any person to whom the President, President-elect, Vice President, or Vice President-elect stands in loco parentis and who receives Secret Service protection; and

"(3) 'President-elect' and 'Vice President-elect' shall have the same meaning given those terms in section 871(b) of this title."

(b) Section 3056(a) of title 18, United States Code, is amended by striking out in the fifth clause the phrase "and 871" and inserting in lieu thereof "871, and 79".

(c) The analysis for chapter 41 of title 18, United States Code, is amended by adding at the end thereof the following new item:

"79. Threats against certain other United States Secret Service protectees."

(d) Section 871 of title 18, United States Code, is amended by inserting the words "to kidnap," in subsection (a) after the words "to take the life of".

SEC. 3. (a) Section 3056 of title 18, United States Code, is amended—

(1) in the first clause of subsection (a) by amending such clause to read as follows: "Subject to the direction of the Secretary of the Treasury, the United States Secret Service, Treasury Department, is authorized to protect the person of the President of the United States, the members of the President's immediate family, the President-elect, the Vice President or other officer next in the order of succession to the Office of President, and the Vice President-elect, and the members of their immediate families unless the members decline such protection";

(2) in the second clause of subsection (a) by amending such clause to read as follows: "protect former Presidents during their lifetime, and the person of a former Vice

President and the spouse or surviving spouse and children under sixteen years of age of a former President for a period of six months, unless such protection is declined; provided however that the Secretary of the Treasury may extend or reinstate protection for such persons after the six-month period if the Secretary deems such protection necessary";

(3) in the fifth clause of subsection (a) by amending such clause to read as follows: "detect and arrest any person violating any of the provisions of sections 508, 509, and 871 of this title and, insofar as the Federal Deposit Insurance Corporation, Federal land bank associations are concerned, of sections 213, 216, 433, 493, 657, 709, 1006, 1007, 1011, 1013, 1014, 1907, and 1909 of this title; and

(4) in the ninth clause of subsection (a) by amending such clause to read as follows: "pay expenses for unforeseen emergencies of a confidential nature under the direction of the Secretary of the Treasury and accounted for solely on the Secretary's certificate".

(b) No person receiving Secret Service protection on the date of enactment of this Act shall have such protection terminated by the amendments made by subsection (a).

SEC. 4. Section 102 of the Treasury Department Appropriations Act, 1970 (Public Law 91-74; 31 U.S.C. 1032) is amended to read as follows:

"Sec. 102. Under regulations prescribed by the Secretary of the Treasury, the Department of the Treasury is authorized to—

"(1) reimburse its agents working on protective missions, as provided by law, for subsistence expenses without regard to rates provided by section 5702 of title 5; and

"(2) reimburse its agents for subsistence expenses when working on protective missions, as provided by law, in a nontravel status on a twenty-four-hour-a-day basis."

Mr. DECONCINI. Mr. President, I do not know of a more important amendment that this body could pass in these last few days of the first session of the 97th Congress than the amendment I have just introduced with the distinguished Senator from Massachusetts, Senator KENNEDY. Let me say at the outset, that I have talked to the director of the FBI, Mr. Webster, and he has no problems with this amendment. Furthermore, this amendment has the full support of the U.S. Secret Service.

Back on Monday, March 30, like a recurring nightmare, this Nation and the entire world were shocked by the senseless and tragic assassination attempt on the life of the President of the United States. That horrible sight of the President, his press secretary, and the courageous law enforcement officers being wounded in front of the Washington Hilton should have pricked the national conscience and warned us in the Congress that something must be done to help our Secret Service win the battle against would-be assassins and terrorists.

Then, just last week, the story broke across the country and around the world that the President's life and the lives of his top officials were threatened by a group of terrorist hitmen, allegedly under the direction of Colonel Qadhafi of Libya, who had penetrated U.S. borders. Secret Service protection was ordered for top administration officials, including the Secretary of Defense and members of the top White House staff.

Mr. President, the amendment that I am offering today will take a major initiative toward providing the Secret

Service with the necessary legislative assistance to overcome many of the obstacles which currently impede their efforts to crackdown on potentially dangerous individuals before tragedy strikes—not after the fact.

Frankly, this amendment does not include all of the legislative remedies that I feel are essential to improve our Secret Service's ability to protect the President and to improve the quantity, the quality, and protect the confidentiality of intelligence data from all sources including foreign, State, and local governments. For example I believe that the Secret Service should be granted an exemption from the Freedom of Information Act for its records maintained for law enforcement purposes. My amendment does not include this provision.

My amendment also does not include provisions granting the Secret Service concurrent jurisdiction in a number of criminal investigation areas where both the Federal Bureau of Investigation and the Secret Service have particular expertise. These provisions and others are included in legislation that I introduced on June 18, 1981, S. 1394, the Secret Service Reform Act of 1981, which is currently bottled up in the Senate Judiciary Committee.

Let me briefly outline what my amendment does include: First, it permits the Secret Service to establish so-called physical zones of protection for protectees of the Secret Service, other than the President of the United States. Currently, this physical zone of protection authority exists only for the protection of the President. This new provision would provide a specific criminal offense for violation of this zone of protection for protectees of the Service and provide further deterrent for unauthorized personnel to penetrate security areas established by the Service. This was a legislative recommendation of the House Select Commission on Assassinations that has never been implemented. It would cover White House staff and other top officials under Secret Service protection while with the President.

Second, it would extend to various other specified protectees of the Service, including presidential candidates the same type of statutory protection against threats of physical harm which is presently afforded the President and officer next in line of succession to the Presidency. This provision would enable the Service to immediately investigate and prosecute persons making such threats against our highly visible and vulnerable public figures. Investigation and prosecution of such threats have been hampered because of a lack of an applicable Federal statute similar to the Presidential threat statute. This would correct this problem and would also amend section 871 of title 18 U.S.C., to include kidnapping threats to the President under these new protections.

Third, it would continue protection of former Presidents during their lifetime, would extend protection to a former Vice President and the spouse or surviving spouse and children under 16 years of age of a former President for a

period of 6 months, unless such protection is declined or unless the Secretary of the Treasury extends or reinstates such protection after this period.

The Secretary of the Treasury however, would continue to gather intelligence relating to the necessity for providing or reinstating such protection and can reinstate such protection at any time. Furthermore my amendment would "grandfather in" those currently receiving Secret Service protection upon the date of enactment of this measure. For example, Mrs. Reagan, former First Lady Mrs. Johnson and Mrs. Truman would continue to receive protection under current law.

It is the feeling of the Service that the foregoing modifications in existing protection are justified on the basis of the experience of the Service in its protective responsibilities. Intelligence gathered by the Service regarding the number and kinds of threats against public officials and their families suggests that the manpower and resources of the Service can be better utilized in other areas of responsibilities.

Fourth. Finally, it would provide authorization for the Treasury to reimburse its Secret Service agents working on protective missions for subsistence expenses when the agents, though not in travel status, are, nevertheless, specifically assigned to remain in close physical proximity to a protectee on a 24-hour basis. This is not a major legislative change but it would help to improve morale and fairness among on-duty agents and rectify what is believed to be an inequity within the Secret Service.

Mr. President, these are not Secret Service reforms that the Senator from Arizona or the Senator from Massachusetts dreamed up overnight. On April 2, just 3 days after the assassination attempt on the life of President Reagan, the Treasury, Postal Service, General Government Appropriations Subcommittee, of which I am the ranking minority member, held a hearing with the Secret Service which focused both on the tragic events of March 30 at the Hilton and on the legislative changes that would facilitate the gathering of critical intelligence data and improving the protective functions of the Service.

Secret Service Director, H. Stuart Knight, was very candid about the statutory roadblocks that impede the gathering of accurate, crucial intelligence data on potentially dangerous groups and individuals and the ability of the Service to better protect the President and other protectees. The subcommittee asked the Secret Service to outline in detail the legislative changes that would enable them to do a better job of protection and investigation. Four of those recommendations are included in this amendment that I have introduced with the Senator from Massachusetts.

Mr. President, in closing let me say that at a time when the lives of the President of the United States and his top assistants are once again threatened by terrorists, the time has come to move these and other changes in law in order to help the Secret Service better serve the President and the country in this

most critical, dangerous, and difficult task. I have repeatedly attempted to move S. 1394 out of the Judiciary Committee without success. I have worked long, hard, and in close cooperation with the U.S. Secret Service on my bill, S. 1394, and on this particular amendment.

They need this amendment to do their job and we should give it to them now. Finally, Mr. President, I want to allay the fears of those on the Judiciary Committee and perhaps those in other law enforcement agencies downtown that this amendment does not—repeat—does not confer any new criminal investigation authority on the U.S. Secret Service. And again, it does not provide the exemption to the Freedom of Information Act that I mentioned earlier in my statement.

I would hope that my colleagues would recognize the importance of this amendment at this particular time in our history, when terrorism is increasing and the threat against the lives of our top Government leaders are real, and pass this amendment on its merits.

Mr. ABDNOR. Mr. President, I would like to say that we on this side are happy to accept Senator DeCONCINI's amendment. As a matter of fact, I think it was an excellent bill and I was happy to be one of the Senator's cosponsors.

Mr. DeCONCINI. I thank the chairman. If he will yield, let me say he is a cosponsor of the Secret Service Protection Act, and that has had the effect of moving that bill, and without his help it would not be able to do that.

If there is no further debate then I move the adoption of the amendment.

The amendment (UP No. 787) was agreed to.

Mr. DeCONCINI. I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 788

Mr. ABDNOR. I now send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Does the Senator further ask unanimous consent to lay aside the excepted committee amendment?

Mr. ABDNOR. This is one of my committee amendments.

The PRESIDING OFFICER. We have an excepted committee amendment which would have to be laid aside temporarily in order to consider further amendments.

Mr. ABDNOR. I now ask unanimous consent to take up the amendment just sent to the desk and temporarily laying aside the excepted committee amendment.

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

The clerk will report.

The bill clerk read as follows:

The Senator from South Dakota (Mr. ABDNOR) proposes an unprinted amendment numbered 788.

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

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

The amendment is as follows:

On page 10, after line 13, insert the following:

Sec. 105. The Secretary of the Treasury is authorized to transfer up to 5 percent from any appropriation within title 1 of this Act: *Provided*, That the recipient appropriation account is not increased by more than 5 percent of the amount provided by this Act: *Provided further*, That approval for such transfers are obtained in advance from the House and Senate Committees on Appropriations.

Mr. ABDNOR. This amendment alludes to a statement I made earlier about giving the Secretary of the Treasury 5-percent transfer authority within the Department of the Treasury subject, of course—and I want to bring this out—to approval in advance from the House and Senate Committees on Appropriations.

Mr. President, I think this is a very necessary amendment particularly since we have cut so deeply into the various budgets of the agencies in the Department of Treasury.

I ask for its immediate adoption.

Mr. DeCONCINI. Mr. President, I am going to support the chairman's amendment. I must admit I have had some reservations about granting these two major agencies this type of authority to shift between appropriation accounts.

I know the Treasury Department and particularly GSA are having a difficult time coping with the stringent budget cuts placed on their operations by the administration, and I am sympathetic to the efforts being made by the Senator from South Dakota. He has been under enormous pressures from the Treasury Department to provide this transfer authority.

Mr. President, I must admit that I was initially sympathetic myself to a request from Treasury for a 2-percent transfer authority, a level of transfer authority which was discussed earlier in the fall during committee consideration of the Treasury bill. Now, however, the Department has requested 5-percent transfer authority and now GSA wants to get into the act. Section 5 on page 30 of the bill already grants GSA authority to transfer up to 3 percent of its personnel appropriations between appropriation accounts, so I wonder why this additional authority is needed at this time as it relates to GSA. I realize that the Appropriations Committees would have a veto over such transfer requests from both Treasury and GSA, but I still do not believe that such authority makes good fiscal sense even if the committees would have such a veto.

Mr. President, I would like to support my chairman on this amendment, but after much soul searching, I do not believe that it is in the best interests of the committee or the American taxpayers to permit such extensive transfer authority for Treasury or GSA.

I withhold judgment on that. The chairman has worked long and diligently trying to work out a formula here, and I respect his judgment.

I must also point out that the Senator from Florida (Mr. CHILES) is concerned

about this matter and I am advised he is on his way to debate this amendment.

Mr. ABDNOR. I appreciate the comments by my good friend, the Senator from Arizona, who has been so helpful on this entire bill. Of course we are bound to have a few differences here and there.

I think we must all remember that the level of reductions taken in this particular bill is extremely great and deep. We have even added the 12-percent cut the President asked for early this fall, and we think it is going to cause some severe operational difficulties.

I think what I need to point out to the Members of the Senate is that most of the Department's funds in both GSA and the Treasury go for personnel and related costs. Actually there is relatively little used for the type of expenditure such as construction that can be postponed easily, and there are no major contract or grant programs in the Treasury that can be fine-tuned.

Also the Department funds are split into a large number of separate appropriations that all blend together. So they have an unusual situation, believe me. If anyone on this floor thinks I am inclined to go along with this permissively helping them transfer funds they are mistaken. We have written into this legislation provisions to cover every possibility so as to make sure they are not taken advantage of. They have to come before our subcommittees and before the full committee on both sides, I think, as Members of the Senate we are capable of policing and seeing that it is properly handled.

So I think this is really very, very necessary. I understand the Senator from Florida is coming. We can call for a quorum.

Mr. DeCONCINI. Mr. President, I understand the Senator is on his way and will be here momentarily.

Will the distinguished chairman yield?

Mr. ABDNOR. Yes.

Mr. DeCONCINI. I just want to say to my colleagues that Senator ABDNOR, the chairman of this subcommittee, has been a stalwart in revising the number of reprogramings and efforts to shift those accounts over the past 10 months. I compliment him for those efforts. It has been no easy task when those requests have come.

In the Appropriations Committee, I did support the chairman's request for a 2-percent transfer authority with the same reservation that I have today, that I felt that was the best the chairman could negotiate. I am sure there is justification, on some manner of argument and presentation, for this 5-percent transfer. I know the chairman has a duty and obligation to proceed with it, but it does trouble me, indeed.

Mr. President, the Senator from Florida should be here momentarily. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DeCONCINI. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

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

Mr. ABDNOR. Mr. President, I ask unanimous consent that we suspend further action on the proposed amendment, the amendment at the desk, until the arrival of our colleague, the Senator from Florida.

Mr. President, the Senator from Florida has just arrived, so I will withdraw that request and we will continue on with the amendment at the desk.

At this time, I yield to the Senator from Florida.

Mr. CHILES. Mr. President, my understanding is that the amendment that is offered by the distinguished Senator from South Dakota is to allow a transfer provision of 5 percent between the various accounts in both Treasury and GSA. I hate to see us do this, because we had a debate regarding transfer authority on the continuing resolution just this last week and I thought we resolved the matter then.

My concern is that what we are about to start through this transfer authority is really a backdoor way of getting us back into the whole impoundment issue again. Because if we allow these agencies to be able to transfer up to 5 percent, then we are talking about allowing the bureaucrats, basically, to look at any program and decide that they want to cut 5 percent out of that program and basically rewrite the whole bill.

Now, last week it was argued that because the continuing resolution made 4-percent across-the-board cuts, that it was going to be necessary to allow some kind of flexibility to permit the agencies to protect a program.

During that debate we were talking about 2 percent transfer authority, or 2 percent above the 4-percent, across-the-board cut, I think, that we were talking about, up to 6 percent; with 2 percent transfer authority. And this was an issue that the Senator from Florida was very concerned about. I was prepared to debate this at length because of my concern that we were opening up the possibility for the impoundment issue again.

At that time, the distinguished chairman of the Appropriations Committee, who happens to be on the floor at this time, said that he also was concerned about any change that would take us back to the impoundment fight that we would have again. Then Chairman HARTFIELD said that he was going to consider this to be reprogramming authority that would have to be approved by the committee. A letter has been written by the chairman of the Appropriations Committee, the ranking member of the Appropriations Committee, joined by members of the House Appropriations Committee, to the administration that they should not consider this 2-percent transfer authority that was within an account beyond the basic, 4-percent cut to be anything other than reprogramming; that information would have to come back to the committees and the committees would have to consent to that.

Now, the language that we are looking at here provides this transfer authority and allows it now up to 5 percent and not just within an account but between accounts. Where are we going to stop with this? We started with 2 percent and now

we are talking about 5 percent in this bill. If this passes and if any one of the agencies sees that they could have a 5-percent transfer authority, why in the world should all of the other agencies not ask for this? And then we are right back into the situation of permitting impounds. It changes the whole thrust.

Now if the administration wants to make a cut of 5 percent with a rescission or a deferral, that has to come and be approved by both Houses of the Congress. Here we are talking about giving authority to cut up to 5 percent out of a program, not to be approved by both Houses of the Congress. You simply give notification and seek approval of the transfer in advance by the House and the Senate Committee on Appropriations. So what we see is the Congress itself surrendering its authority and we are going to be back into the same game that we have been in before when we had court battles and all kinds of other confrontations between the White House and the Congress.

Mr. President, I think we would be totally unwise to enter into something like this especially something of this size. For the life of me, I cannot understand why it is necessary for the Department of the Treasury or for the GSA to have authority to transfer up to 5 percent between their accounts. As I say, we were only granting 2 percent in the continuing resolution and the continuing resolution is applying to all of the departments and agencies. Even in that 2 percent, we very carefully laid out, under the auspices of the chairman of the Appropriations Committee, that that would only be done if it was considered to be a reprogramming request. Now on top of that we see a request to move from the 2 percent all the way up to 5 percent.

UP AMENDMENT NO. 789

Mr. CHILES. Mr. President, I send to the desk a perfecting amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Florida (Mr. CHILES) proposes an unprinted amendment numbered 789 to Mr. ABDNOR's unprinted amendment numbered 788.

The amendment is as follows:

On line 2 and on line 4 of the amendment strike the phrase "5 percent" and insert in lieu thereof "2 percent" and on page 30, line 6, of the bill strike the phrase "3 per centum" and insert in lieu thereof "2 percent."

Mr. CHILES. Mr. President, this amendment would allow the Treasury Department to have authority to transfer up to 2 percent in the same way that we have under the continuing resolution. I think that that is the extent of what we should do in allowing any kind of transfers.

The PRESIDING OFFICER. The Chair would advise the Senator from Florida that the amendment attempts to amend both the pending amendment and the bill. The part of the amendment attempting to amend the bill would only be in order by unanimous consent.

Mr. CHILES. Mr. President, what we were attempting to do in the second part

was to amend the bill so that we would amend the GSA provision to also have it apply to 2 percent. We can do this with two amendments. I think the argument is really the same. I was trying to save the time of the Senate.

Mr. ABDNOR. I assure the Senator I am not going to object to the Senator offering his amendment.

Mr. CHILES. I appreciate that. I thank the distinguished Senator for that. I ask unanimous consent that the amendment be considered to be in order.

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

Mr. CHILES. Mr. President, I must oppose Chairman ABDNOR's proposal to give the Treasury Department 5 percent transfer authority between their several appropriation accounts. I understand that Secretary Regan wants this authority in order that the Department can better accommodate to the budget cuts proposed by the President. It sounds like the Treasury Secretary is trying to make an end run around the cuts they have proposed, had adopted and have taken credit for.

My major objection, however, is that this gives away our congressional prerogatives. We decided on the appropriate spending levels after advice from the administration. If these reductions are too great, the administration can send up a supplemental. If the levels are too high, the administration can send up a rescission or a deferral. By these means the Congress can maintain its constitutional powers of the purse.

Chairman HATFIELD and Chairman ABDNOR and I had previously agreed to a 2 percent transfer authority for Treasury to permit them to develop a more credible Inspector General operation.

Mr. President, the Department of the Treasury now has a small Inspector General function included within the Office of the Secretary. This small office has fewer than 15 professional investigators and auditors and does not have statutory independence as do other Inspector Generals in the executive branch; it does not have subpoena powers and it is also not required to report to the Congress on its activities as are the statutory Inspector General offices.

Currently, the Department relies on the auditors and investigators in each of the independent agencies to investigate allegations of their own wrongdoing. While the small Inspector General activity in the Office of the Secretary tries to provide oversight to these activities, it is too small to have any real leverage. It is also not independent from top management in the Department.

Last year the Appropriations Committee recommended to the full Senate the transfer of 200 positions and \$7.5 million from the various Treasury agencies and departments to create a new Office of Inspector General.

Mr. President, I ask unanimous consent to have a table appear at this point in the record which shows the transfers that were recommended last year. These transfers would have been achieved by moving approximately 15 percent of the auditor and inspector resources that now exist in each of the independ-

ent agencies to a central office. This would have left each of Treasury bureaus and agencies with adequate resources to also conduct their own internal investigations.

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

Office/Bureau	Offsets	
	Positions	Amount
Office of the Secretary -----	22	\$882,000
Bureau of Government Financial Operations -----	3	115,000
Bureau of Alcohol, Tobacco and Firearms -----	5	193,600
U.S. Customs Service -----	30	1,163,700
Bureau of the Mint -----	1	28,000
Bureau of Public Debt -----	2	71,000
Internal Revenue Service -----	134	4,976,500
U.S. Secret Service -----	3	115,000
Total -----	200	7,544,800

Mr. CHILES. Mr. President, last year we also recommended that this new Inspector General office be included as a separate appropriation account; that it be given subpoena powers; and that it be required to comply with the reporting requirements of section 5 of Public Law 95-452, the Inspector General Law of 1978. As the Members may recall, the Treasury bill never came to the Senate floor last year and, therefore, the full Senate was never given a chance to vote on those particular recommendations.

This year, the House has passed H.R. 2098 to create a statutory Inspector General at Treasury. This legislation is now pending in the Senate Committee on Governmental Affairs. I am hopeful that this legislation will be passed into law and the Department will move quickly with this transfer activity to create a more credible Inspector General operation.

It is my hope that this transfer authority will be used to create a more credible Inspector General at Treasury. In a previous colloquy Senator ABDNOR agreed with me that this would be an appropriate use of the transfer authority.

Mr. President, my arguments for GSA are identical.

We have accepted many of the cuts proposed by the administration for the General Services Administration. The committee has exercised its best judgment on these matters.

To now give the GSA 5 percent transfer authority only undermines our congressional prerogatives and gives GSA the option to rewrite the bill.

There is a process available for GSA to seek adjustment. If the cuts—ones that the administration requested—turn out to be too deep, a supplemental can be requested.

If we provide too much, deferrals or rescissions can be proposed.

Mr. President, basically what the amendment does is it allows the provisions for both the GSA and the Treasury transfer authority to be limited to 2 percent rather than 5 percent. That is the amount we allowed to be transferred in the continuing resolution. I feel that

would be proper, rather than seeing us extend it to 5 percent. Some other agency is liable to ask for 10 percent if we continue this way. We ought not to allow this to go any further than we allowed it to go in the continuing resolution. I personally do not think there should be a transfer authority spelled out, but I would agree to the 2 percent as it is in the continuing resolution.

Mr. ABDNOR. Mr. President, I appreciate the efforts of the Senator from Florida. I happen to strenuously disagree with him and his amendment to the amendment.

Back when we proposed our 2-percent transfer authority to the Treasury, prior to the additional cuts that we made in the budget. This made it a serious problem, or it could possibly be a serious problem, to the Department of the Treasury.

As I have said, most of the funding for the Department of the Treasury goes for personnel and related agencies with little of the other kind of expenditure that so many of the other agencies and departments have contained in their budgets. In fact, the department budgets most affected by these reductions are precisely those which spend the most for personnel. These areas include the Internal Revenue Service, which is of great concern to this committee because we do not want to do anything to hamper that service, and the Office of the Secretary of the Treasury, which deals with the larger issues of economic and tax policy.

Both of these areas will be experiencing major reductions if this legislation passes, and both are going to need managerial flexibility in managing their reductions.

In order to do this is why we went from the 2 percent to the 5 percent, which was approved by the Appropriations Committee. It is just a one-time authority to transfer money between the 15 separate appropriations that make up this Department. The authority would be limited, as we said, to a 5-percent transfer on any one appropriation measure. The committee expects it will be consulted.

I guess I have a lot more confidence in the Appropriations Committee than does the Senator from Florida. I just do not believe with what we are experiencing, a shortage of funds for the various agencies, that we will let them be carried away and do foolish things. As long as the subcommittee handles this and the entire Appropriation Committees, not only of one House but of both Houses which have to approve this, it should arrest any fears that any of us have as far as some Mickey-Mousing going around here that we do not approve of, if I can use that expression.

I am not one to give them all kinds of authority. Believe me, I had serious consultations with the Treasury before we agreed to do this. However, I came away convinced that this is necessary, as long as we retain the kind of jurisdiction and control that we do over this transfer. I see no problem with it whatsoever and I urge rejection of the 2 percent and the adoption of the 5 percent for transfer authority.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CHILES. 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. CHILES. Mr. President, I see the distinguished chairman of the Appropriations Committee on the floor. I wonder if he might take the floor and yield for a question from me.

Mr. ABDNOR. I yield to the distinguished chairman.

Mr. CHILES. This was on a subject that the chairman and I spent some time debating last week, or talking about last week. That was the whole question of transfer authority. It was in the continuing resolution, as the chairman will recall, and I was very concerned, concerned about backing us into the issue of impoundments again. At that time, the distinguished chairman made quite clear, and I think it has now been made clear by letter signed also by the ranking minority member of the Appropriations Committee. The letter to OMB's Stockman makes clear that we consider the 2-percent transfer authority in the continuing resolution to be an extraordinary matter and that it could only be done after the consent of the Appropriations Committee.

At that time, I expressed to the distinguished chairman my fear that we were going to start off with 2 percent, that we were going to see that figure made higher, and agencies would start saying, "Well, if 2 percent is good, why not ask for 5?"

Today we are seeing a request for 5 percent by Treasury and the GSA. What is to stop any other agency from saying, "Well, if they have 5 percent, we would like to have 10 percent."

Before long Congress will be surrendering its authority to say where the money will be spent because the agencies will have this kind of transfer authority to rewrite the bills. That was the concern that I was expressing last week, that we were going too far.

I would like to have the chairman's views on this concerning the area which we are talking about. It is an amendment of 5 percent but I asked that we make that 2 percent, as in the continuing resolution.

Mr. HATFIELD. The Senator is correct, that this was discussed in the debate on the continuing resolution. We are talking about here the flexibility within an account. We were concerned how an agency should be permitted to proceed within an account. It was assumed when the legislative record was made, and we felt very strongly, that if the adjustment was made in the account it should be a reprogramming action. Now the Senator is suggesting that we have a problem, perhaps of setting into motion an action that could very quickly proliferate among the other agencies. That is, providing for transfer authority between accounts, if I understand the Senator's question.

I have a very strong feeling that I would much rather support an agency in its general appeals that it may offer to our subcommittees of the Senate Appropriations Committee concerning actions proposed by OMB or the other House.

I also think we have the additional safeguard that if there is something unanticipated that would arise in the life of an agency, that through reprogramming the committee can work with that agency in making those adjustments.

Third, I would say there is always the vehicle of the supplemental that the agency has at its command. So that in revision, review, or reassessment it can still get relief through the supplemental system.

I do not see anything happening in terms of an action taken that we cannot control. It will be the Congress that has to give the agency the authority for 2 percent, 1 percent, or 5 percent.

We are willing to yield that kind of appropriation fiscal check and balance. Then it is the Congress, not the agencies. The agencies will push us, I am sure, as far as they can.

I want to cooperate with the agencies, but I think we ought to hold inviolate the legislative responsibility in the appropriations process. Therefore, I have already made my amends with the very distinguished subcommittee chairman, the Senator from South Dakota (Mr. ABDNOR). While I traditionally try to support my subcommittee chairman to the fullest extent, he and I have reached an understanding. We may, I believe, disagree on this point without in any way rupturing that relationship.

I say I shall support the 2-percent transfer authority, but I think the 5 percent is not necessary when the committee is open and available to these agencies. After all, we are in the same party now—the people downtown and the majority of the Senate. I see no reason why the agencies cannot feel a friendly reception up here under Republican leadership. They are Republican appointees that are coming up here to get these adjustments.

I believe this would occur even if it were the other way around, a Democratic controlled Congress. I have sat on this committee now for many years under Democratic leadership and they have studiously assessed those requests by the agencies. They have worked with reprogramming, supplementals and appeals in dealing with the committee on what the agencies considered to be a higher level of authorization or appropriation. These have been handled, I think, very professionally.

I say to the Senator from Florida that we only yield what we are willing to yield to those agencies. I believe at this point, 2 percent gives them enough flexibility.

Mr. CHILES. I thank the distinguished chairman of the Committee on Appropriations and I know this is a matter we have not had a chance to discuss in the full committee. I can understand, because once I was a subcommittee chairman and sometimes the agencies come to you with special requests. The matter has not had a chance to come before the full

committee, they make a reasonable or what sounds to be a reasonable argument, and you carry that argument to the floor. I would hope that the distinguished chairman of the subcommittee, realizing that this has not had a chance to be discussed in the full committee, would accept the pending amendment that I have made in line with what we did in the continuing resolution, in line with what the distinguished chairman of the Appropriations Committee feels would be a proper policy.

Then this is a matter where, if the agencies want to bring it up, it can come before the committee for full consideration. But more properly, as the distinguished chairman of the Appropriations Committee has said, this is a matter where we shall listen to those agencies. We do have supplementals that will come. There are ways, if a hardship has been worked on them, to fix that. On the one hand, for them to say "We are for these cuts," and on the other hand, for them to come to the back door of Congress and say, "Give us a 5-percent transfer because we want to go in and decide where we want to cut more or not cut more," as the chairman said, is giving away what is purely the Congress authority. I hope that the distinguished chairman of the subcommittee will allow us to make this conform with the continuing resolution and handle it in that way.

Mr. HATFIELD. Mr. President, will the Senator yield for a final comment?

Mr. CHILES. Yes, Mr. President.

Mr. HATFIELD. I know of no person who has been a greater champion of the needs of the Treasury Department and Secretary Regan than the Senator from South Dakota (Mr. ABDNOR). I am sure Secretary Regan would affirm that observation. The Senator from South Dakota has certainly served effectively and conscientiously the needs of that Department. I know the Secretary appreciates the fact that he has been his advocate, his representative, and his defender.

If the Senate accepts the 2 percent rather than the 5 percent, this should in no way affect the genial and effective working relationship between the Appropriations Committee in general and the agencies involved. More especially that should not affect the subcommittee dealing with the Treasury Department and the agency. And even more specifically than that, the relationship between the Senator from South Dakota and the Secretary of the Treasury.

Mr. ABDNOR. Mr. President, let me say that I have spent considerable time on the budget of the Treasury. Of course, I am not exactly known as one of the big spenders. It was after considerable discussion that I went along with the proposal of transfer authority of 5 percent. Maybe it is a dangerous precedent. There was a precedent here once before for transfer authority of a much lesser percentage when money was more available. That was rescinded. I like to think this could be rescinded in the years to come if it is not necessary.

Mr. President, the problem arises—it is not that I am this anxious to have the 5-percent authority back and forth.

That is exactly why we went to the trouble to make sure to have the complete approval of the subcommittees of both the House and the Senate, as well as the entire Appropriations Committee. As I have said, there are over 15 separate accounts within the Department of the Treasury, some extremely large and some very small.

As the legislation calls for in the amendment, not over 5 percent can be transferred out of any one fund or more than 5 percent added to one account. I look at the large accounts of the Treasury Department, like the taxpayer's service and return processing, which takes over \$867 million. I look at examinations and appeals, where we are appropriating \$933 million. I look at the investigations and collections, \$617 million. Then I look at the smaller ones, like the office of the Secretary with \$36 million, the Federal Law Enforcement Training Center, \$14 million. Five percent does not amount to very much when you take it out of those small accounts. If you are able to transfer it over to something like IRS work, it may be only a very small percentage into their account, but it is a big percentage out of the account that you made transfer from. This is a thing that troubles me.

I would like to go along with 2 percent, but I hope it would be with the understanding of everybody in the Chamber that when they are in a real bind and it is very obvious to us that it is, that we take care of their problems with supplemental appropriations. I do not know whether we do it this way and make them live with their money or let them spend it all any way they want to and transfer. They will not have to do that now.

They could come back, I guess, and ask for a supplemental. Is that what the Senator has in mind?

Mr. CHILES. I certainly would want to work with the distinguished Senator from South Dakota as he wrestles with those problems. The difference would be that they would come back to us and we would love the chance to make the final decision. Do we agree this is necessary and how should it best be handled? Should it be handled by making the cuts somewhere else or by saying that this is a matter deserving a supplemental and this is something we have to provide money for? Mr. President, that is what the role of Congress is about and I do not think we should be shifting that role to the administration.

Mr. ABDNOR. Let me say to the Senator I honestly feel we are doing all that with having them seek the approval and come to us on a one-time proposition and get the full approval of the committees. That is what we do on any appropriation.

The only thing about going the other route, if there is a place we could have cut, they go ahead and spend and give the ones that need it the extra dollars of general funds, where they might have gotten by with transfer authority. I just think we are going to give them more for the buck under the proposal of the 5 percent.

We started with 2 percent. If the Senator thought 2 percent was satisfactory before we made the 12-percent cut, he should be happy with the 5 percent because we are making a big cut where we took from where we were with the additional second cut of 12 percent. We really cut.

There are some serious doubts and questions. But I am willing to gamble on it with this kind of authority. I suppose it changes my way of thinking, but I feel very strongly that the 5 percent, even though I do not like it, is a necessity.

If it is the opinion of this body that 2 percent is as far as we should go, I will have to accept it, but I think we should bring it to a vote.

Mr. CHILES. I thank the distinguished Senator from South Dakota. I think part of the concern is expressed by the chairman of the Appropriations Committee.

The hangup of the Senator from Florida is not wanting to give away our authority. Even if it puts some additional work on us and it is easier to say, "Let them wrestle with that, and we do not have to look at that," we would be setting a bad precedent.

I thank the Senator from South Dakota for his statement. I think that is the best way out of the dilemma.

Mr. DECONCINI. Mr. President, will the Senator yield?

Mr. CHILES. I yield.

Mr. DECONCINI. Mr. President, the distinguished chairman, the Senator from South Dakota, has struggled with this matter. I supported his 2-percent amendment in the committee, in the discussions we had there, and I did it with great reluctance.

I believe the Senator from Florida is correct, and I regret not supporting the chairman. This amendment brings us back to what the committee decision was and is indeed a compromise, and I would have to support the amendment.

Mr. ABDNOR. Mr. President, I have serious questions about this, but I will accept the amendment of the Senator from Florida, with the understanding that we watch this very closely.

I admonish the Senator from Arizona and the staff that we watch this matter very closely and that we come through with supplementals where necessary.

Mr. DECONCINI. I am thankful that the chairman agrees to accept the Senator's amendment. I commit myself to working with the chairman in the event problems do arise. I think we have struck a very good compromise here.

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

The amendment (UP No. 789) was agreed to.

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

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the first-degree amendment, as amended.

The first-degree amendment (UP No. 788), as amended, was agreed to.

Mr. DECONCINI. Mr. President, I move to reconsider the vote by which the first-degree amendment, as amended, was agreed to.

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

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 790

Mr. ABDNOR. Mr. President, I move to lay aside the pending committee amendment, and I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:
The Senator from South Dakota (Mr. ABDNOR) proposes an unprinted amendment numbered 790.

Mr. ABDNOR. 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:

On page 10, after line 19, insert a new subsection as follows:

SEC. 106. No funds made available pursuant to this Act may be used to accomplish or implement a proposed reorganization of the Bureau of Alcohol, Tobacco, and Firearms before March 31, 1982. Such reorganization plan may be implemented after March 31, 1982, unless disapproved by the House and Senate Committees on Appropriations.

Mr. ABDNOR. Mr. President, this amendment is identical to the amendment which I offered to the recently vetoed continuing resolution and which was accepted by both Houses. Basically what my amendment does is prevent a proposed reorganization or elimination of the Bureau of Alcohol, Tobacco, and Firearms before March 31, 1982. Such reorganization of BATF after March 31, 1982, could be effectuated unless disapproved by the House and Senate Committees on Appropriations.

Mr. President, all my amendment does is maintain the constitutional prerogatives of the Congress. As of this moment no one in the Senate or the other body can tell us for certain what this reorganization will cost. My amendment will give the committee time to hold hearings, call interested witnesses and marshal the evidence to determine whether or not the reorganization of BATF is in fact in the interest of our constituents.

It is my intent, if this amendment is adopted, to hold hearings in February on the issue of the reorganization of BATF.

Let me assure my colleagues that we will call all pertinent witnesses and promptly report our findings to the full Appropriations Committee.

Mr. DECONCINI. Mr. President, I support the amendment of the Senator from South Dakota.

This amendment does not signal our disapproval of the President's reorganization plan for the Bureau of Alcohol, Tobacco, and Firearms. It does not say that we want to keep that troubled agency alive for another year. It merely sends a signal to the Treasury Department

ment that the Committee on Appropriations and the Senate want to take a close look at this major shift of both personnel and responsibilities before approving this significant reorganization. And Mr. President, this is a major policy initiative by the administration.

The reorganization plan announced just the other day would apparently call for the shift of 1,200 BATF S. 1811 agents into the Secret Service for the purpose of enforcing the Gun Control Act of 1968 and the explosives program formerly contained within BATF.

The plan also would apparently call for shifting about 700 BATF personnel into the U.S. Customs Service to enforce laws affecting the cigarette and alcohol industries, including enforcement of the Federal Alcohol Administration Act.

I am informed by Treasury that they intend to eliminate all but a few essential alcohol regulatory functions under the President's reorganization plan. This major policy decision could have a very significant effect on both the distilled spirits industry and the beer and wine interests—businesses which total over \$11 billion a year. We should know exactly what the ramifications of sharply curtailing these regulatory functions might be and we cannot do that in the last remaining days of this session of Congress.

Mr. President, we are now told that to implement the reorganization plan it will cost an additional \$18 million above and beyond the President's revised September 30 budget estimate for the Bureau of Alcohol, Tobacco, and Firearms. We are all aware of the tremendous need to hold the line on spending and we should have the opportunity to see exactly why this large amount of money is required, when supposedly one of the reasons for the reorganization is to save money—not cost the Treasury more money.

We should also know if the recipient agencies—Secret Service and Customs—will be able to absorb these new functions without jeopardizing their other crucial law enforcement, protective, and investigative functions in such areas as protection of the President, drug and narcotic investigations, and passenger facilitation in our national airports.

Mr. President, for all of these reasons and others, we should not strike the language in section 109. We should wait until we have had a chance to examine this plan from top to bottom. We do not have any good information from Treasury as to exactly what they intend to do. Frankly, I'm not sure that Treasury has all of the wrinkles out of the plan. We should have extensive hearings before the Appropriations Committee, including Treasury Department and other administration officials, and outside groups who will be either directly or indirectly affected by the reorganization.

As the ranking minority member of the Treasury Subcommittee, I will give you, the committee, the President, and the Senate my personal assurance that I will work with the distinguished chairman of this subcommittee, Senator ABDNOR, to

hold such hearings as early as possible upon the return of the Senate in late January.

Mr. President, in closing, no one is more supportive of the U.S. Secret Service or the U.S. Customs Service than I. And no one is more concerned about the past abuses of the Bureau of Alcohol, Tobacco and Firearms in enforcing the gun-control laws on the books than the Senator from Arizona. My record on both is crystal clear. However, holding up for 3 months the reorganization plan affecting BATF and these two Treasury agencies is a proper action for the Senate to take. We need more information and we will get it. I urge the adoption of the amendment.

Mr. ABDNOR. Mr. President, I appreciate the comments of the Senator from Arizona.

The PRESIDING OFFICER (Mr. QUAYLE). The question is on agreeing to the amendment.

The amendment (UP No. 790) was agreed to.

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

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

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 791

Mr. ABDNOR. Mr. President, I move to lay aside the pending committee amendment, and I send to the desk another amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from South Dakota (Mr. ABDNOR) proposes an unprinted amendment numbered 791.

Mr. ABDNOR. 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:

On page 4, line 12, insert the following: "Provided further, That of the funds made available by this act for the Bureau of Alcohol, Tobacco and Firearms, \$15,000,000 shall be available solely for the enforcement of the Federal Alcohol Administration Act during fiscal year 1982."

Mr. ABDNOR. Mr. President, this amendment would earmark out of those funds provided for the Bureau of Alcohol, Tobacco and Firearms \$15 million to be used for the implementation and enforcement of the Federal Alcohol Administration Act during fiscal year 1982.

Mr. President, all in the world my amendment does is insure that this very socially sensitive issue continue to receive Federal oversight and attention during the current fiscal year. Without my amendment, the Department of the Treasury might fail to enforce the Federal Alcohol Administration Act and that could prove tragic not only for the beverage industry but the Nation at large.

Mr. DECONCINI. Mr. President, I support the Senator's amendment.

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

The amendment (UP No. 791) was agreed to.

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

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

The motion to lay on the table was agreed to.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

● Mr. D'AMATO. Mr. President, it has come to my attention that with the budget of \$120 million for the Bureau of Alcohol, Tobacco and Firearms there is a high probability that the enforcement of the Federal Contraband Cigarette Act may be curtailed.

The enforcement of this law is very important to both New York State and New York City to insure that taxes on cigarettes are collected.

Mr. President, Senator MOYNIHAN and I would like to insert into the RECORD a letter from James H. Tully, commissioner of taxation and finance, State of New York.

Mr. Tully's letter states the position of those States, cities, and localities that receive tax revenues from cigarette sales.

The letter follows:

STATE OF NEW YORK, DEPARTMENT
OF TAXATION AND FINANCE,
Albany, N.Y., October 26, 1981.

HON. DONALD T. REGAN,
Secretary of the Treasury,
Washington, D.C.

DEAR MR. SECRETARY: During the last few weeks, I have heard reports indicating that enforcement of the Federal Contraband Cigarette Act (P.L. 95-575) by the Bureau of Alcohol, Tobacco and Firearms is to be curtailed.

Mr. Secretary, the enforcement of this law is of paramount importance in insuring collection of New York State and New York City cigarette taxes as well as those of other states, and is essential in preventing organized crime from diverting \$150-200 million of such taxes each year.

The study of the Advisory Commission on Intergovernmental Relations estimated that prior to the enactment of the act, the states lost a total of \$391 million in cigarette tax revenue each year. The Commission estimated that New York State alone lost \$72.3 million each year.

However, in the last fiscal year, New York State's loss was reduced to approximately \$28 million which I attribute largely to the efforts of the Bureau of Alcohol, Tobacco and Firearms in enforcing the Contraband Cigarette Act. I would expect the State's losses to increase by about \$40 million annually if enforcement is curtailed. New York City would lose an additional \$10-15 million annually if enforcement is curtailed.

I would point out that the legislative history of the Contraband Cigarette Act makes it clear that the cigarette bootlegging problem is not just a state and local problem. As the Senate Report on the bill noted: "... the interstate nature of organized cigarette bootlegging and the jurisdictional limitations of the various State investigative agencies have resulted in the State's efforts having little impact on the problem of cigarette bootlegging." (Sen. Rep. No. 95-962, p. 8; 5 U.S. Cong. & Adm. News '78, p. 5523). That, succinctly stated, is the reason the bill was enacted and why it should continue to be enforced.

For these reasons, I urge you to reconsider any decision to cease enforcing the act. It might well be that you would decide to transfer such enforcement functions rather

than to eliminate them, and if you do so, we stand ready and most willing to cooperate with any designated agency as we have with the Bureau of Alcohol, Tobacco and Firearms.

I urge also that, if possible, statements be avoided about the curtailment of enforcement. Publicity of that type only invites organized crime to resume interstate bootlegging activity.

Sincerely,

JAMES H. TULLY, Jr.,
Commissioner.

Mr. D'AMATO. Mr. President, in fact, Senate Report 95-962 included a study conducted by the Advisory Commission on Intergovernmental Relations which found that cigarette bootlegging was a serious problem in 14 States and a moderate problem in 8 other States. Those 14 States contained nearly one-half of the Nation's population. This commission estimated that \$391 million in revenue for the States was lost as a result of illegal sales of cigarettes.

Mr. President, we cannot allow criminals and racketeers to rob the State treasuries of revenue that rightfully belongs to the people. In this time of tight fiscal policy, we must not hamper the State's efforts to collect tax revenue.

I share the Senator's concern for the need to cut the Federal budget and applaud your leadership in this committee. However, I am sure that you understand my concern over this very pressing problem in the State of New York.

Mr. ABDNOR. Mr. President, I certainly understand the problems that concern the junior Senator from New York. Additionally, I have no desire to curtail the important function that BATF performs in assisting State and local government.

Mr. D'AMATO. I thank the Senator. I hope that during the conference on H.R. 4121, you will bring to the attention of your fellow conferees this important problem and will urge that the necessary funding, which I understand to be an additional \$2 million, will be included in the conference report.

Mr. ABDNOR. I can assure my colleagues from New York and the other affected States that I will discuss this with the conferees on H.R. 4121 for the purpose of insuring that this important function of BATF is properly attended to.

Mr. MOYNIHAN. Mr. President, I wish to thank the distinguished chairman the Senator from South Dakota, for taking the time to discuss this matter. And I wish to thank my colleague from New York who has been unflagging in his support.

Since the passage of the Contraband Cigarette Act of 1978, the Bureau of Alcohol, Tobacco and Firearms has played an important role in assisting State and local law enforcement and revenue officials in their efforts to stem illicit trafficking in contraband cigarettes. This effort has helped assure that States and localities receive the tax revenue from cigarette sales to which they are entitled.

For example as a result of the BATF effort, the State of Florida enjoyed a \$19 million increase in revenue last year; New York, \$10 million; and Ohio, \$3.8 million. It is important to recognize

that the interstate nature of trafficking in contraband cigarettes means that State and local law enforcement officials are often ill-prepared to control this activity without the active support of the Federal Government.

To illustrate the seriousness of this problem I would insert for the RECORD a reprint of a table from the 1978 hearings on the Contraband Cigarette Act, indicating the loss in tax revenue that was occurring prior to the involvement of BATF in this area.

The material follows:

A number of recent studies have detailed the nature and extent of cigarette bootlegging throughout the country. The most recent of these studies conducted by the Advisory Commission on Intergovernmental Relations (ACIR), found that cigarette bootlegging was a serious problem in 14 States and a moderate problem in 8 other States. The 14 States which considered cigarette bootlegging to be a serious problem contained nearly one-half of the nation's population. ACIR estimated that \$391 million in revenue to the States was lost each year as a result of cigarette bootlegging, and for 13 States this amounted to as much as ten percent of their total cigarette tax revenue. As estimated in millions of dollars, the loss to the individual States as computed by ACIR is as follows:

Alabama	6.9
Arizona	3.4
Arkansas	6.5
California	16.0
Connecticut	15.1
Delaware	.2
Florida	35.7
Georgia	2.8
Illinois	21.7
Iowa	4.0
Kansas	1.6
Louisiana	2.1
Maine	2.1
Massachusetts	12.1
Michigan	6.9
Minnesota	12.2
Mississippi	1.3
Missouri	5.0
Montana	.3
Nebraska	1.7
New Jersey	26.0
New Mexico	1.0
New York	72.3
North Dakota	.2
Ohio	16.9
Oklahoma	1.2
Pennsylvania	35.6
Rhode Island	.3
South Dakota	.1
Tennessee	7.8
Texas	43.1
Washington	13.2
West Virginia	1.9
Wisconsin	13.6

These figures show that nearly 70 percent of the States are affected in varying degrees by cigarette bootlegging.

Source: Senate Report 95-962, Racketeering in the Sale and Distribution of Cigarettes, June 28, 1978. ●

UP AMENDMENT NO. 792

Mr. HATFIELD. Mr. President, I call up my amendment which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows: The Senator from Oregon (Mr. HATFIELD) proposes an unprinted amendment numbered 792.

Mr. HATFIELD. 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:

At the appropriate place insert the following new section:

SEC. . . "Notwithstanding any other provision of law, the Secretary is authorized and shall seek to acquire the lands described in Section 505(a) of the Act of November 10, 1978 (92 Stat. 3467) by first acquiring federal excess or surplus lands of equivalent values in any State or States from the General Services Administration and then exchanging such excess or surplus lands for the lands described in Section 505(a) of that Act with the land owners. Exchanges shall be on the basis of equal value, and any party to the exchange may pay or accept cash, or furnish or accept other lands or properties, in order to equalize the value of the property exchanged."

Mr. HATFIELD. Mr. President, this is one of those hardship cases which I am offering as an amendment to this bill.

In 1969, the Federal Government commenced a study for a public park, a Federal park in Hawaii, entitled Koloko-Honokohau. Since 1978, this park of three private parcels has been so authorized for purchase by the Federal Government.

The only problem is that there has not been an appropriation for this land. The owners have now grown old and are perhaps in their last days. They are incurring very large medical bills. They have no way to dispose of their property and if they should pass on and their heirs inherit this property, the heirs will have to pay estate and other taxes.

So we have a hardship not only of the moment, but a pending hardship.

What this amendment provides is that the GSA would be authorized to exchange or trade Federal land of equal value for this Federal park, in order to relieve the present burden of the ownership of that land. This would give them a clear opportunity to retrieve the value of that land which they have otherwise no ability to sell to a private party because of the cloud that is over their land. The Federal Government shows no immediate plan to purchase the land.

I might say as chairman of the Appropriations Committee, that I do not see under this kind of budgetary restraint, moneys available in the park budget to make such a purchase. But we could move to relieve this unfair burden and this hardship by the opportunity to exchange Federal excess or surplus land of the same value. This is what the amendment proposes to do to relieve this hardship case.

Mr. DECONCINI. Mr. President, will the Senator from Oregon yield?

Mr. HATFIELD. I yield.

Mr. DECONCINI. Is there precedent for this?

Mr. HATFIELD. Yes.

Mr. DECONCINI. This Senator is not aware of the precedent.

Mr. HATFIELD. It is my understanding that there is precedent for such land exchange. It was certainly my intent that this authority be granted for Koloko-Honokohau when Congress passed my amendment to the Interior appropriations bill in November 1980. In fact, we just passed a bill out of the Energy and Natural Resources Committee to provide

for the Department of the Interior to make some land exchanges for the Georgetown waterfront land.

So it is my understanding that there have been other examples of action taken of this kind.

Mr. DeCONCINI. Mr. President, will the Senator yield further?

Mr. HATFIELD. I yield.

Mr. DeCONCINI. Will this fall under their already authorized authority? Will it fall under the GSA authorized authority?

Mr. HATFIELD. Yes. The GSA has general authority for handling surplus land to be exchanged in any given area. My amendment instructs the Secretary of the Interior to seek to acquire from GSA, excess lands, as well.

This is really, in effect, more of an instruction to GSA to move ahead on this type of action because the GSA has been very reluctant to undertake this task.

It also provides clarification of authority to make an exchange beyond the borders of Hawaii. Again, we are dealing with a very restricted area unlike, say, in the Senator's State or my State, where we may have a multiplicity of Federal ownership from various agencies and acreages. We have a greater restriction in Hawaii itself. So this would authorize Interior and GSA to perhaps exchange excess or surplus land without geographic limitation.

Mr. DeCONCINI. I thank the chairman of the Appropriations Committee.

Mr. President, I have no objection to the amendment.

Mr. ABDNOR. Mr. President, I am more than happy to accept this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon.

The amendment (UP No. 792) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I thank the leadership for their assistance on this.

UP AMENDMENT NO. 793

(Purpose: To strike section 609)

Mr. HATFIELD. Mr. President, I send a second amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Oregon (Mr. HATFIELD) proposes an unprinted amendment numbered 793.

On page 43, strike lines 10 through 16.

Mr. HATFIELD. Mr. President, if I could get a copy of the bill, this is on page 43. I direct the attention of the managers to the bill at this time. On page 43 of H.R. 4121, section 609, it is very brief and I shall merely recite it.

No part of any appropriation contained in this or any other Act, shall be available for interagency financing of boards, commissions, councils, committees, or similar groups (whether or not they are interagency enti-

ties) which do not have prior and specific statutory approval to receive financial support or instrumentality.

Mr. President, this simply deletes that provision which prohibits such moneys in the support of interagency activity.

We passed in this Chamber the bipartisan proposal here a week ago to set up a new Hoover Commission to study the reorganization of the Federal executive branch of Government. This does provide the kind of ongoing reorganization and review that should occur.

I think too frequently we think of these Hoover Commissions as a one-shot affair—it happens every 10 years or every 20 years—and there is nothing that has to be done in between.

I think one of the problems we have is an accumulation of things that should have happened in between these major reorganization studies. I, therefore, would not want to encumber any President, Democratic or Republican, from carrying on certain activities that involve interagency review or interagency cooperation. These activities attempt to break down some of the balkanization that exists by nature between the agencies. I think under such circumstances, the President should be free to reform and to propose alternatives that reduce the duplication and overlapping which occurs so readily amongst these various agencies.

This amendment merely deletes that section in order to empower the President to continue interagency activities and interagency reviews. They may not need to have authorization. That is, this authority need not be set into statute. They may just be informal, ad hoc, commissions or task forces, in existence for a 2-week period or a month-long period.

I do not think we should have to pass a law every time there is an interagency action that is geared toward the elimination or streamlining of the Government, which may save us money.

So I wish to suggest to the leadership that this section be deleted.

Mr. DeCONCINI. Mr. President, will the Senator yield?

Mr. HATFIELD. I am happy to yield.

Mr. DeCONCINI. Is there any cost related to this of which the Senator is aware?

Mr. HATFIELD. There is no budgetary impact of this amendment. Whatever activity would come under this section would have to be funded under existing budget authority and under the existing budget decisions.

Mr. DeCONCINI. I have no further questions. I support the amendment.

Mr. ABDNOR. Mr. President, not only are we happy to accept the amendment but we commend the Senator for an excellent amendment. It is something we should have taken care of in the subcommittee.

Mr. HATFIELD. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon.

The amendment (UP No. 793) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. HATFIELD. I thank again the distinguished managers of the bill for the cooperation on these two amendments.

UP AMENDMENT 794

Mr. DeCONCINI. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Arizona (Mr. DeCONCINI), for himself, Mr. McClure, Mr. Sasser, Mr. Kasten, Mr. Stevens, and Mr. D'Amato, proposes an unprinted amendment numbered 794.

Mr. DeCONCINI. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place in the bill insert the following:

None of the funds appropriated by this act shall be used to impose or assess any tax due under Subchapter D of Chapter 32 of the Internal Revenue Code of 1954, as amended, sections 4161 and 4181, in all cases where less than fifty (50) items are manufactured or produced per annum.

Mr. DeCONCINI. Mr. President, I offer this amendment for myself, Senator McClure, Senator Sasser, Senator Kasten, Senator Stevens, and Senator D'Amato.

This amendment would have been offered today by Senator Sasser from Tennessee.

This amendment provides a limitation on the IRS activities relating to custom gunsmiths. This is, I believe, a very non-controversial amendment which was approved by the Senate in a different form on the tax bill but was dropped in conference.

The amendment provides that none of the funds available for the IRS can be used to impose any excise taxes on the Nation's custom gunsmiths in those cases where these individuals manufacture 50 or less items annually. Presently excise taxes of 10 or 11 percent are now imposed on American firearms producers. The problem that we have today is that there are many, many custom gunsmiths throughout the Nation that manufacture only a few firearms a year and do not properly regard themselves as firearms manufacturers. These custom gunsmiths produce a limited number of hand-crafted guns either for themselves or for gun collectors throughout the country. They really are not firearms manufacturers.

Because there are some inconsistencies in the definition of what constitutes a firearms manufacturer many of these custom gunsmiths are concerned that the IRS will improperly judge them to be firearms manufacturers and thereby be held liable for back excise taxes. These custom gunsmiths legitimately fear that their small businesses and hobbies will be disrupted or even wiped out by just the threat of an IRS ruling.

This amendment simply provides that these custom gunsmiths will be free from arbitrary and unfair IRS action. I hope this amendment can be adopted.

Mr. President I ask unanimous consent that a fact sheet regarding this amendment be printed in the RECORD at this point.

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

FACT SHEET

The definition of manufacturer contained in Section 4181 of the IRS Code of 1954 and the Treasury Regulations on Manufacturers 26 CFR 48.02, are not consistent with the definition contained in Title 18 USC Section 921(a)(10) relating to firearms manufacturers. The above inconsistency has created a confusing and possibly financially devastating tax problem for custom gunsmiths found liable for back excise taxes. Few, if any, of the many individuals who handcraft custom firearms have ever considered themselves to be manufacturers. Recent rulings deciding the tax status of a firearms manufacturer have been based on such fine technical points as to whether the customer or the gunsmith supplies the action or barrel. Even an individual who makes one firearm for his or her own use can be liable for the excise tax.

When a custom gunsmith is judged by the IRS to be a manufacturer, he is then liable for the tax due on all firearms that he has made in the past. For the small custom gunsmith this is usually equated to bankruptcy.

Congressional intent in imposing the tax was to make it applicable to bona-fide manufacturers, not the individual custom gunsmith.

Custom gunsmiths who produce fifty or fewer firearms per year should not be classified as manufacturers. This change would address the unique nature of the individual craftsman, allowing him to stay in business.

There would be no revenue loss as custom gunsmiths have not considered themselves to be manufacturers given the inconsistent definitions of manufacturer outlined above. In at least one case, the IRS spent nearly three years and a half million dollars to collect \$10,000 from a custom gunsmith.

Exempting custom gunsmiths from being classified as "manufacturers" if they make less than fifty firearms per year would be a simple solution to a significant problem for custom gunsmiths and the nation's sportsmen.

Mr. ABDNOR. Mr. President, I just wish to compliment the Senator for bringing this inequity to the attention of the Senate. I also wish to compliment Senator SASSER, who has spoken to me about this amendment, as well as Senator McCLEURE.

The purpose of the amendment is to resolve a question which has arisen in the application of the excise tax to individuals who produce hand-crafted firearms and fishing rods and reels.

It is contrary to our legislative history for Congress to permit the IRS to distort the everyday meaning of the term "manufacturer" to include an individual who custom-makes a few firearms or fishing rods.

Additionally, I understand the IRS pursued this one custom gunsmith for 3½ years to collect \$10,000. This is hardly an efficient tax policy of the administration.

It is an excellent amendment and I am happy to support it.

Mr. DeCONCINI. I move the adoption of the amendment.

The PRESIDING OFFICER. Without objection, the excepted committee amendment will be temporarily set aside.

The question is on agreeing to the amendment of the Senator from Arizona.

The amendment (UP No. 794) was agreed to.

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

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

The motion to lay on the table was agreed to.

COMMITTEE AMENDMENT ON PAGE 74, LINES 7 THROUGH 15

The PRESIDING OFFICER. The question recurs on agreeing to the committee amendment.

Mr. DENTON. Mr. President, the issue today is quite simple and need not provoke a great deal of long emotional debate. This body has repeatedly debated the issue of the Federal funding of abortions, and has voted over 40 times on this question alone, so we pretty much know where we stand.

The matter that this amendment addresses is the one glaring inconsistency in our Federal policy on abortion. Over the past several years, the Congress has enacted, and the Supreme Court has upheld, the Hyde amendment restriction on medicare-funded abortions. Today, however, the Federal Government continues to assume partial financial responsibility for some 20,000 abortions at a cost of over \$9 million a year. These abortions are paid for under the Federal employees health insurance program, which is financed through a 60-percent contribution by the Federal Government.

We in the Congress have denied, since 1976, and I believe rightfully so, the use of taxpayers' dollars for the taking of innocent lives of unborn children of indigent medicare recipients while continuing to allow the use of tax dollars for abortion for Federal employees.

There are those in this body who believe that Federal health employee benefits are a form of compensation that should not be interfered with, notwithstanding the fact that they support the thrust of my amendment. It must be remembered, however, that participation in this program is not mandatory for Federal employees and that this is not an entitlement program. The Federal Government offers employees these benefits as a means of protecting them against high and unpredictable costs of medical care. The types of benefits offered by any particular health plan are not now nor have they ever been fixed. The Office of Personnel Management is authorized to exclude or include any benefits that it considers necessary or desirable. Currently, benefits such as eyeglasses, dental care and even routine pap smears to detect cervical cancer are excluded by some of the major carriers. Some 18 of the plans exclude coverage for nontherapeutic abortions. Moreover, the CHAMPUS health program for military personnel and their dependents does not finance abortions of convenience.

The essential point to be made is that the Federal Government as an employer is not obligated to finance abortions in which the life of the mother is not in jeopardy. We must realize the character of nontherapeutic abortion. As the Supreme Court said in the *McRae* against Harris case, upholding the constitutionality of the Hyde amendment:

Abortion is inherently different from other medical procedures because no other procedure involves the purposeful termination of a potential human life.

Congress has no obligation to support the funding of this medical procedure simply because it is legal. The taking of human life in the womb is a concern of Congress. If abortion is truly a private matter, as has been repeatedly contended, then it needs no public financing.

In rejecting this committee amendment, this body will align itself with the expressed position of both the House and the administration. I would note that the Ashbrook amendment was passed by the House by a vote of 253 to 167 and that the Senate Appropriations Committee struck the amendment by a vote of 13 to 7. The Senate has repeatedly voted to uphold the principle that the Federal Government should not finance abortions. Those of us who voted to add similar language with regard to medicare-funded abortions in May should vote for the restoration of this House-passed amendment. Additionally, I would note that the Office of Personnel Management recently exercised its legitimate authority to reduce the abortion coverage presently afforded under Federal health insurance programs.

The American Federation of Government Employees filed suit against the administration, challenging the legality of OPM's decision not to approve any health benefit plan that provides abortion coverage. A lone Federal judge held that OPM had acted arbitrarily and outside the scope of its statutory authority, and he ordered that OPM not eliminate abortion coverage in the AFGE plan. Subsequently, several other employee organizations filed similar law suits before the same judge. In light of the judge's decision, OPM has had to permit some plans to continue their abortion coverage.

The basis for the court order is that the administrative decision to exclude abortion benefits is not in line with Executive or congressional intent, even though the House has overwhelmingly passed the Ashbrook amendment. In fact, the court decision and administrative actions have left an even more inconsistent arrangement. Therefore, it is incumbent upon the Senate to clarify congressional intent through completion of the legislative process, by creating a statutory prohibition of funding abortion coverage.

In closing, I would stress, again, that the Ashbrook amendment in no way denies Federal employees the right to obtain or contract for coverage of abortions at their own expense through their insurance carriers. It merely withdraws that portion of Federal participation in paying for abortions. We also are not

talking about taking away any earned benefits. The Government's share for medical care would remain constant for any contract offered in the future. The scope of the abortion benefits will simply be limited in much the same way as occurred in Nebraska and Kentucky recently.

It is time to end this patent inconsistency in Federal policy, and I urge my colleagues to join with me in rejecting the committee amendment.

I respectfully ask unanimous consent that the RECORD include a recent letter from Mr. Donald Devine, Director of the Office of Personnel Management which states, "The Ashbrook amendment is in accord with the Administration's position on abortion."

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

OFFICE OF PERSONNEL MANAGEMENT,
Washington, D.C., October 30, 1981.

HON. JEREMIAH DENTON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR DENTON: Thank you for your letter of October 28, 1981, concerning the Ashbrook Amendment to the Treasury Postal Appropriations bill and your kind remarks.

As you may know, the Office of Personnel Management has recently negotiated a reduction in abortion coverage in all but a few of the insurance plan contracts for 1982. The plans which will provide abortion benefits with Federal participation are offered by employee organizations that have challenged my efforts to limit abortion coverage in the Federal Employees Health Benefits program.

On October 8, 1981, a Federal District Court enjoined me from eliminating or modifying coverage for therapeutic abortions in the plaintiff's 1982 contract, without the agreement of the plaintiff. It is important to note, however, that in the order of the Court, Judge Gesell specified that nothing contained in that order should be "deemed to apply if the Office of Personnel Management is prohibited by statute from funding therapeutic abortion coverage under 1982 benefit plans."

On July 28, 1981, I informed Congressman William Ford, Chairman of the House Committee on Post Office and Civil Service, that the Ashbrook Amendment was in accord with the Administration's position on abortion. That position remains unchanged.

Thank you for your continued interest in this matter.

Sincerely,

DONALD J. DEVINE,
Director.

Mr. DENTON. I urge the adoption of the amendment.

Mr. President, I ask unanimous consent that statements by Senators NICKLES and JEPSEN be entered in the RECORD.

● Mr. NICKLES. Mr. President, I would like to state my support for Senator DENTON's amendment to H.R. 4121. This amendment would prohibit Federal tax dollars from going to subsidize abortions for Federal employees, except where the life of the mother is endangered.

Prior to OPM's actions this fall, 90 of the 120 health insurance plans offered to Federal employees included some form of coverage for abortions. The Washington Post reported that this policy cost the Government \$9 million for a total of 17,000 abortions.

Early last summer OPM realized that

the Federal employee health benefits program was in a financial crisis—with the rising cost of health care milking the fund dry. Something had to be done. As part of a plan to cut down on this fall's premium increases, OPM asked the various carriers to cut out or reduce in three areas: mental health benefits, dental benefits, and abortion benefits. This action was seen as consistent with the current administration, both in fiscal and moral terms. However, a court ruling has since said that such a restriction on abortion by the Director of the Office of Personnel Management was beyond his scope of authority.

Such an action is not, however, beyond the scope of the Congress. Since the court decision, OPM has worked out a "compromise agreement" which results in five health packages still offering coverage for abortion. About 292,000 Federal employees are currently enrolled in those plans which cover abortion, but that is subject to change with the approaching open season.

What is needed now is a clear sense from Congress as to our position toward any Federal funding of abortion. Just this past May we voted against Federal funding for abortion under Medicaid. In the past year, the House has voted three times for this very same amendment that my colleague, Senator DENTON, has proposed today. Now it is time for the Senate to take a stand on this issue. I say, let us be consistent. If we are going to stand against subsidizing the taking of the innocent life with those who are poor, then we should also prohibit such Government subsidization within our own ranks.

Now, I know that there are some who have alleged that such a policy is denying Federal employees what other workers in the private sector freely receive. There is concern that somehow Congress is butting into private collective bargaining negotiations by passing this amendment. In response to such concerns, I would point to the very significant difference of this situation: No other employee group except those working for the Federal Government has 60 percent of their health premium paid for with tax dollars. Because over \$2 billion goes from the Federal till toward premium purchases for Federal employees each year, we have an obligation—a moral responsibility—to make sure that such money is not being used in a manner that is offensive to the American public. And it is offensive to the American public. We are responsible to the American people for how we spend their tax dollars. Let us be consistent. The Federal Government is the employer, and we belong in the collective bargaining process.

In addition, we are not, as some would allege, denying Federal employees any right to an abortion that those in the private sector may have: We are simply saying that tax dollars should not be used to finance such an activity.

I know that there are other questions that my colleagues may have as they consider this amendment. Those of a procedural nature, those related to substance, those related to "Mount Sinai", and other

practical considerations. I hope that we have full opportunity to address each question and concern to the satisfaction of everyone.

I believe that this is an issue that needs to be resolved. Congress needs to be consistent in its opposition to the Federal funding of abortion. What we decide is appropriate public policy for one segment of our society should be the standard for all.

Therefore, I urge the adoption of this amendment and encourage my colleagues to stand firm against the Federal funding of abortion. ●

● Mr. JEPSEN. Mr. President, when the Office of Personnel Management saw fit to revise its employee health plans to prohibit Government funds from being used for nontherapeutic abortions, I hailed that action as a major victory in support of our Nation's unborn. This decision was consistent with the policies of both this administration and this Congress.

However, opponents of this decision have succeeded in blocking its implementation by convincing the Court that the OPM acted beyond its authority. If this is indeed the case, then it falls to the Congress to lead the way in overcoming this obstacle.

The action taken by Dr. Donald J. Devine, the Director of OPM, originally moved to correct a glaring inconsistency in abortion policy, that of allowing roughly 3 million Federal employees to use Government funds to help pay for abortions while prohibiting Medicaid recipients from the same service. The new regulations would have blocked Federal funds from even indirectly subsidizing an estimated 17,000 annual abortions at a cost of nearly \$10 million.

The Senate must act now to legitimize the OPM decision. The amendment introduced by Congressman ASHBROOK to this appropriations bill must be adopted. It seeks to accomplish through legislation what OPM could not do through regulation. We must now take a forceful stand to remedy the inequities of the present OPM policy and to insure the future protection and sanctity of unborn human life.

It is time for the Congress to reassert the underlying political and moral philosophy of our country, embodied in the Declaration of Independence and the Bill of Rights to the Constitution, which advocates the protection of those who have no one else to protect them. ●

Mr. DENTON. Mr. President, my purpose is to place the Senate on record regarding this important issue. I ask for the yeas and nays at this time.

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

The yeas and nays were ordered.

Mr. HELMS. Mr. President, I fully support this action proposed by the distinguished Senator from Alabama (Mr. DENTON). All Americans morally committed to the sanctity of innocent human life certainly support the Senator's leadership on this issue today.

Mr. President, some may contend that the issue today is not abortion. They

would assert that the issue is whether Federal employees should be allowed to negotiate for the health benefits they consider appropriate. In this case, abortion is to be considered a "health benefit."

Recently, before the Subcommittee on the Constitution chaired by the able Senator from Utah, a physician testified on the so-called "prochoice" side of the abortion issue. This physician estimated that there are some 10,000 cases nationwide each year in which abortion is necessary to save the life of the mother. Mr. President, there are some 1½ million abortions reported every year. While some argue that the 10,000 figure is inflated, we can nevertheless conclude that well under 1 percent of the abortions performed annually are necessary to save the life of the mother.

Except in those rare cases where abortion is truly necessary to save the life of the mother, abortion should not and must not be thought of as simply a health benefit. The action under discussion today would, of course, permit continued funding, and I quote the language, "where the life of the mother would be endangered if the fetus were carried to term."

Mr. President, innocent unborn life should not and must not be taken for any reason less compelling than to save the life of the mother. The inclusion of elective abortion in group health plans directly contributes to a sadly misguided viewpoint evident in some segments of our society. This viewpoint regards abortion as nothing more than a routine medical procedure. Americans morally committed to the sanctity of innocent human life recoil from this tragically misguided viewpoint.

The right of an innocent unborn child to life is not negotiable as part of some health benefit package. The right of an unborn child to life is among the most fundamental of human rights.

Mr. President, last year, 17,000 abortions were performed under the Federal employee health benefit program. The Federal Government pays at least 60 percent of the cost of the health benefits. The issue today is clearly abortion and the Federal funding of abortion. Again, I am pleased to give my full support to the efforts of my distinguished colleague from Alabama.

● Mr. ZORINSKY. Mr. President, through the Helms-Hyde amendment, we have long since ended payments for abortions under medicaid, except when necessary to save the life of the mother. Yet we continue to fund abortion-on-demand for Federal employees, congressional staff, and dependents, through the Federal employees health benefits program. This is a blatant inconsistency.

The Federal Government pays at least 60 percent of the cost of FEHB (Federal employees health benefits), which paid for 17,000 abortions last year. Like the Helms-Hyde amendment, the amendment proposed today by my distinguished colleague from Alabama would permit abortion funding "where the life of the mother would be endangered if the fetus

were carried to term." This amendment would not interfere with contracts currently in effect. When I was the mayor of Omaha, I led the successful effort to eliminate abortion funding from the city's employee health plan.

Mr. President, it seems to me that on the grounds of consistency alone, regardless of other reasons, I and others who voted for the Helms-Hyde amendment cannot fail to support this amendment as well.

There were those who argued, "Since abortion is legal, the Helms-Hyde amendment is unjust because it denies to the poor what is available to the wealthy." I and others rejected this argument because we recognize that every abortion destroys a living human being. Therefore, no consideration less weighty than the life of the mother itself can justify abortion. And if there is discrimination involved, it is not against the poor, but against the unborn children whose lives cannot be saved by the Helms-Hyde amendment because their destruction is funded through other sources.

In some States, the cost of elective abortions for low-income women has, unfortunately, been assumed by the States. But in those States in which this has not occurred, the number of women in this group who carry their children to term has increased by as much as 40 percent, according to the Center for Disease Control.

Congress has ended Federal funding of abortion-on-demand under medicaid. And we are speaking today of another program which is directly funded and administered by the Federal Government. I suggest that we ought not to continue to provide for the relatively well-to-do something which we have rightly denied the poor. I urge adoption of the amendment. ●

The PRESIDING OFFICER. The question is on agreeing to the committee amendment. The yeas and nays have been ordered, and the clerk will call the roll.

Mr. DECONCINI. 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. D'AMATO. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

UP AMENDMENT NO. 795

(Subsequently numbered Amendment No. 1241.)

Mr. D'AMATO. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The Chair will state that only an amendment to section 619 would be in order without unanimous consent.

Mr. D'AMATO. Mr. President, I ask unanimous consent that my amendment on industrial development bonds be considered to be in order.

The PRESIDING OFFICER. Is there

objection? The Chair hears none. Without objection, it is so ordered.

The amendment will be stated.

The legislative clerk read as follows:

The Senator from New York (Mr. D'AMATO), for himself, Mr. WEICKER, Mr. STEVENS, and Mr. DOLE, proposes an unprinted amendment numbered 795.

Mr. D'AMATO. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place insert:

SEC. (a) None of the funds appropriated by this Act may be used to—

(1) enforce Revenue Ruling 81-216 or the proposed amendments to Income Tax Regulations § 1.103-7 and § 1.103-10 which were published in the Federal Register on October 8, 1981, or

(2) propose, promulgate, or enforce any ruling or regulation reaching the same result as, or a result similar to, such Revenue Ruling or Regulations, in connection with a qualified issue, or

(3) issue rulings or regulations which treat as exempt from taxation under section 103 (b) (6) of the Internal Revenue Code of 1954 any interest earned on an obligation the proceeds of which are used for a disqualified facility.

(b) (1) For purposes of subsection (a), the term "qualified issue" means a single issue (which is part of a composite or multiple series of issues)—

(A) the obligations of which are directly or indirectly guaranteed or secured in whole or in part by—

(i) a State or political subdivision thereof or an instrumentality of either, or

(ii) in the case of an issue all of the proceeds of which are used for agricultural purposes, a qualified person (within the meaning of section 46(c) (8) (D) of the Internal Revenue Code of 1954 determined without regard to clauses (iii) and (iv) thereof), and

(B) none of the proceeds of which are used in connection with a disqualified facility or a facility with respect to which, at any time before January 1, 1987—

(i) any disqualified person used more than 5 percent of the facility, or

(ii) more than 25 percent of the facility is (in the aggregate) used by the disqualified persons.

For purposes of subparagraph (B), use by a related person (within the meaning of section 103(b) (6) (C) of such Code) shall be treated as use by the disqualified person.

(2) (A) For purposes of paragraph (1), the term "disqualified person" means a person (other than an exempt person within the meaning of section 103(b) (3) of such Code) which has aggregate capital expenditures for any purpose which, for the period beginning October 1, 1979, and ending September 30, 1982, exceed \$25,000,000.

(B) For purposes of determining the aggregate capital expenditures of any person under subparagraph (A), there shall be taken into account the capital expenditures of all persons which are—

(i) related persons (within the meaning of section 103(b) (6) (C) of such Code) with respect to such person; or

(ii) guarantors of any portion of the issue with respect to which a determination is being made under this subsection other than a guarantor which—

(I) is a State or a political subdivision thereof or an instrumentality of either, or

(II) in the case of an issue all of the proceeds of which are used for agricultural purposes, a person described in paragraph (1) (A) (ii), or

(III) One or more financial institutions which are not related persons (within the meaning of Section 103(b)(6)(C) of such Code) to the user of the proceeds of the issue.

(C) For purposes of this paragraph, the term "capital expenditures" has the meaning given such term by section 103(b)(6)(D) of such Code, except that such term shall not include any amount paid or incurred by the taxpayer which constitutes a qualified research expense (within the meaning of section 44F(b) of such Code).

(c) For purposes of subsection (a) and subparagraph (b)(1)(B) a "disqualified facility" is any private or commercial

- (i) golf course,
- (ii) country club,
- (iii) massage parlor, or
- (iv) tennis club.

(d) It is the sense of the Senate that after August 23, 1981, and until Congress enacts legislation which affects section 103(b)(6) of such Code, the Secretary of the Treasury or his delegate should in all cases enforce any ruling or regulation described in subsection (a) (1) or (2) in a manner consistent with the provisions of subsection (a).

Mr. D'AMATO. Mr. President, I do not wish to belabor my interest in the industrial development bond program. However, I rise to propose an amendment to H.R. 4121 that deals with IRS Revenue Ruling 81-216. This amendment is virtually the same as the amendment that was passed on House Joint Resolution 357 and passed again on House Joint Resolution 370 on December 11, 1981. This amendment is cosponsored by Senators WEICKER, STEVENS, and DOLE, who have all worked tirelessly on this issue. During consideration of House Joint Resolution 370, I delivered a long statement about the IDB program and the necessity for keeping it viable. For the sake of brevity, Mr. President, I will not reiterate that statement, but commend it to the attention of any of my colleagues who are interested. That statement explains both the need for and the meaning of this amendment.

I would further like to point out that this amendment is in no way intended to prohibit—nor in my opinion as the original sponsor of this amendment, does it prohibit—the grandfathering process now being followed by the IRS for those bonds which had begun the process of being issued prior to August 24, 1981.

Mr. DOLE. Mr. President, the amendment regarding multiple lot industrial development bonds offered by Senator D'AMATO is an amendment identical to that adopted by the conference committee on the vetoed continuing resolution and included in the continuing resolution recently passed.

The conference committee version of this amendment was somewhat changed from the Senate compromise version worked out between Senator D'AMATO and myself. As I said when this body voted on the conference committee report, while I wholeheartedly stand behind the original Senate compromise, I strenuously oppose the conference changes.

Despite my opposition to the conference changes, I lend my name to this

amendment today to reiterate the messages that both the Senate compromise and the conference agreement make clear: First, big business is an inappropriate beneficiary of the Federal credit subsidy these bonds provide; and second, State or locally backed bonds are to be favored over bonds issued without that backing.

As I have stated before, a message or signal is all that can be derived from this amendment since the amendment does not amend the Internal Revenue Code—and until the code is amended—the disputed revenue ruling, No. 81-216, remains the prevailing interpretation of substantive law, regardless of whether it can be enforced or, temporarily, not enforced. All parties now appear to agree on this point. Because, by adopting this amendment, we do not sanction the issuance of any tax-exempt bonds that would not already be tax exempt under the rule of 81-216, I think it more important to reiterate the basic message of this amendment, rather than delay consideration of this measure because of my disagreement with the conference changes.

So that there is no mistaking what this amendment means, I ask unanimous consent to insert in the RECORD my previous remarks on the subject, including the remarks of the chairman of the Ways and Means Committee, Mr. ROSTENKOWSKI, which I endorse, and a resolution approved by the National League of Cities at their December 2 annual meeting.

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

REMARKS OF SENATOR DOLE OF NOVEMBER 22, 1981

Mr. President, I would like to make a brief statement about the House amendment to Senate amendment No. 43 dealing with multiple lot industrial development bonds.

As I said on the floor when the Senate version of this amendment was adopted, the Senate amendment was the result of a negotiated compromise among several Senators.

This Senator stands behind that agreement. Unfortunately, the conference has changed the carefully-drafted language of our amendment and attempts to broaden it.

In spite of this, I will not repudiate the agreement and will not oppose this House amendment, though I strenuously oppose the changes.

I do, however, want to repeat what I said when this provision passed the Senate. I do not believe that this appropriation rider changes the underlying tax code. It affects only the enforcement of the code. Unless we amend the code, we have not said that this type of bond is tax exempt.

I have been asked by the chairman of the Ways and Means Committee, Mr. ROSTENKOWSKI, to express his views on the amendment. I ask unanimous consent to have his remarks printed in the RECORD.

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

REMARKS OF REPRESENTATIVE DAN ROSTENKOWSKI

Mr. ROSTENKOWSKI. Mr. Speaker, I rise to express my strong reservation with respect

to the matter contained in Senate amendment numbered 43 on which the conferees are recommending that the House recede and concur with an amendment. My objections are both procedural and substantive in nature.

The amendment attempts to prohibit in certain circumstances the enforcement of Revenue Ruling 81-216, and regulations reaching the same result.

The amendment would prohibit the enforcement of the ruling in the case of bonds which are backed by a State or locality where the proceeds of the bonds are not to be used by very large corporations—with more than \$25 million in capital expenditures, worldwide, in a 3-year period.

First of all, on procedural grounds, we have a Senate floor amendment which attempts to negate a proper interpretation by the Internal Revenue Service of a substantive provision of the tax laws by limiting the discretion of the Service in its internal use of its administrative moneys.

Not only is the amendment not properly within the purview of the appropriations process, but the conferees have even gone to the point of expanding its scope to broaden its impact. Those of us on the tax-writing committees find this to be improper and, in a sense, irresponsible inasmuch as the matter addressed by the amendment is a complex one with policy implications which should be carefully reviewed by the tax-writing committees prior to the taking of congressional action.

In a more important sense, I would like to inform my colleagues that it is my view that the action recommended by the conferees in accepting this amendment will have no substantive effect. It will not result in the issuance of bonds which would be prohibited absent the existence of this appropriations rider.

It should be pointed out that, inasmuch as this language in no way amends the Internal Revenue Code, it cannot affect the legal basis under which bonds can be issued under existing law.

Since it is customary for bond counsel to issue opinions on the legal basis for the tax exemption of the bonds in question. I wanted to make this statement at this time so that no bond counsel or potential purchasers would improperly construe that this simple funds limitation has the effect of legalizing the bonds in question.

Once the continuing resolution expires, the IRS will be able to enforce the Revenue Ruling in question, Revenue Ruling 81-216, even as to the interest earned on bonds issued during the period of this appropriations freeze.

I would want to inform my colleagues that I have discussed this issue at great length with the Chairman of the Senate Committee on Finance who shares my view that this language is ineffectual in achieving the purpose which it seeks to accomplish. The sole effect of this language is to delay IRS action in this area. It cannot and does not, the sense of the Senate language relating to future periods notwithstanding, change the underlying law which in the end controls the legal basis for the granting of the tax exemption.

It is unfortunate for the entire legislative process that one or two law firms specializing in the processing of these transactions have attempted to modify the tax laws without going through the appropriate committees which Congress established to deal with the tax laws. In so doing, they have added nothing—except confusion to the whole area of tax-exempt bonds.

REMARKS OF SENATOR DOLE OF
NOVEMBER 19, 1981

Mr. President, this amendment is cosponsored by a number of Senators who have been working on this amendment for about 3 weeks. I commend the distinguished Senator from New York (Mr. D'Amato) for his untiring efforts. I also commend his staff, my staff, and Senator METZENBAUM and his staff and others, Senator STEVENS and Senator WEICKER and their staffs for their efforts.

What we have done is try to tighten up the issuance of multiple lot industrial development bonds and to send a signal about tightening the issuance of all IDB's.

This amendment is intended to replace an amendment sponsored by those Senators I have mentioned and adopted by the Appropriations Committee. Their original amendment would have prohibited the Treasury Department from enforcing revenue ruling 81-216, a ruling interpreting present law to prohibit multiple lot or umbrella bonds—those bonds issued where an issuer or corporate user strings together a series of bond issues with some form of common or "pooled" security. The substitute puts certain limits on the original amendment.

It is important, crucially important, however, to note that neither the original amendment nor this compromise substitute in any way amends substantive law. Both speak only to the enforcement of the law—neither changes the Internal Revenue Code.

BIG BUSINESS IDB USE

Why then is this substitute amendment important? It is important because it sends the message that these bonds, this Federal credit subsidy, is not for big businesses.

The ruling that spawned this amendment, and the proposed regulations that would replace that ruling, do not merely affect small business and State-sponsored umbrella bond programs designed to provide small business with federally subsidized credit. They also affect big business and big business multi-State or multicounty bond issues.

Prior to 81-216, it was common practice for major corporations—manufacturers, motel chains, fast food franchisors—to float multiple lots of \$1 million bonds—all commonly guaranteed by the parent corporation or sold to a single investor—to finance capital expenditures all over the country. A fast food chain, for instance, could float a \$20 million linked series of bonds in \$1 million lots—each lot for a different hamburger stand in 20 different counties—but all lots backed not just by one stand but also by the credit of the national chain. The bonds holders, in such a case, certainly do not believe they are investing in a part of a single \$1 million bond issue. They look to the credit of the national chain and the revenues from all the bond-financed projects for security. Ruling 81-216, and the proposed regulations, would prevent this.

If the substitute is not accepted, we benefit not just the Mom and Pop grocery stores and the little tool and die manufacturer in a dying northeastern city. We help Dow Chemical and McDonalds, too.

In fact, it appears that overriding 81-216 without any limits as the resolution now does, would disproportionately help big business—of the composite or multiple lot issues that have been submitted to the IRS for "grandfather" relief from 81-216, 75 percent are to be used by big business, corporations with nationally known names.

While the IRS cannot disclose the taxpayers' names, they have given us figures and broken down those figures by industry group. There have been requests for relief for \$1,093 billion in bonds. Of that \$319.8 million are for big, nationally recognizable businesses:

	Millions
Big textile companies.....	\$48.8
Big chemical companies.....	116.7
Big hotel/motel companies.....	66.9
Big fast food companies.....	114.2
Big private hospital operators.....	25.8
Other big business.....	445.5

Though the IRS cannot disclose taxpayers' names, commercial sources can, and they confirm that big business was the primary target of 81-216. Moody's Bond Survey, dated August 17, 1981, for instance, shows a number of composite issues for big corporations planned for late August, presumably forestalled by 81-216:

	Millions
Dow Chemical.....	\$21.7
St. Regis Paper.....	5.5
American Stores Co.....	17.25
W. R. Grace & Co.....	4.6
Kimberly Clark.....	3.0
RCA Corporation.....	2.0

Other information obtained by the Treasury under circumstances where taxpayers confidentially need not be maintained shows a similar pattern of big business use:

	Millions
International Paper Co.....	\$12.15
J. P. Stevens & Co., Inc.....	30.3
Spring Mills, Inc.....	5.7
The Bendix Corporation.....	12.7
Scott Paper.....	8.8

Information compiled by the Congressional Budget Office on big business use of composite IDB's is truly eye-opening. Since January 1977 a large number of large corporations have issued millions of dollars worth of composite bonds. Let me read you a few examples:

	Millions
Airco.....	\$10
Armco.....	17.4
Burlington Industries.....	17
Colt Industries.....	24
Container Corp. of America.....	15.7
Dow Chemical.....	35.7
General Motors.....	6.8
B. F. Goodrich.....	10.1
Hoover Universal.....	30.2
International Harvester.....	11.4
Kroger.....	10.8
McDonalds.....	42
Nabisco.....	6.7
PPG Industries.....	10
Ralston Purina.....	12.1
Safeway.....	14.3
Union Camp.....	25
Weyerhaeuser.....	51.4

These companies have done nothing wrong—I do not criticize them for using composite IDE's—I criticize myself and Congress for permitting them to use composite bonds. And I shall continue to press for a substantive change to the code that will stop these companies from using any IDB's—composite issues or otherwise.

The National Federation of Independent Businesses, a leading small business organization, just completed a poll of their membership on the use of small issue IDB's generally. 40,000 to 50,000 members responded. These are true small businesses—the average member has 8 employees and \$500,000 annual gross sales—the sort of business that is the backbone of American enterprise—the source of the most jobs and the most new ideas. The results? Only 37 percent were for the continued availability of any small issue IDB's—any small issue bonds, not just composite bonds. Forty-nine percent were opposed to the issuance of any small issue bonds. The real small businessmen know who use this credit subsidy—they know that large- and moderate-sized businesses can use

these bonds, particularly composite bonds, easier than they can. They want this abuse stopped.

A vote against the compromise substitute is, quite simply, a vote for big businesses continued exploitation of this program. If we send big business that message today we may as well junk any responsible plans to reform IDB's into an effective, small business capital formation tool. If we send big business that message today we might as well vote for Federal credit subsidies for everybody.

ONLY THE BIGGEST OF BIG BUSINESS
ELIMINATED

The compromise substitute would limit big business use of composite bonds and composite bonds only, with a \$25 million, 3-year capital expenditure limit; \$25 million over 3 years is not much of a limit. It only eliminates the biggest of big business—the Fortune 1,000—the type of corporation that, on the average, has more than \$150 million annually in business receipts and that has more than \$150 million in total assets. These megacorporations constitute only one-tenth of 1 percent of all corporations. If these companies were prohibited from using any small issue IDB's—and that is not what we are doing today—we would be taking a very small bite, about 16 percent, out of the total small issue IDB program—16 percent out of \$9.2 billion of bonds that result, this year alone, in over a billion dollars of lost revenue to the Treasury.

For my taste, this is too small a bite. I would prefer a \$10 million limit, or even smaller, to take this credit subsidy away from big business. The top one-tenth of 1 percent—companies with \$150 million in annual receipts—seems a pretty select group. My definition of big business goes quite a bit deeper.

I accepted this compromise \$25 million figure only because it is a step in the right direction—not because it is where I would like to stop. When the Finance Committee considers substantive IDB legislation I would like to consider a lower limit. I hope the small business community, in the interim, will seriously consider whether we should cut a little deeper than the top one-tenth of 1 percent.

STATE OR LOCAL BACKING

The second message this substitute sends is that State and locally guaranteed or backed bonds are to be favored over bonds that are issued without that backing. In the composite or multiple lot area, this means that State-backed programs such as New York's Job Development Authority or Connecticut's small business program would be permitted if this amended the Code while McDonalds-backed composite bonds are not.

Where a State or locality puts some of its credit on the line, then we are relatively assured that a responsible State or local official will look carefully at the users of these bonds. Where no State or local commitment is required, not even the most responsible public official can withstand the pressure to hand out a Federal credit subsidy to just about anybody—because it does not cost him anything at all. And we cannot blame him, really, since his competition in the neighboring State will be under the same pressure and just may give in.

State or local backing makes it easier to say no—easier for States and localities to target the Federal credit subsidy to those who deserve it.

SUBSTANTIVE LEGISLATION SHOULD GO FURTHER

To eliminate all the abusive uses of IDB's, substantive legislation ought to go further than this amendment would indicate. The limits in this amendment are a step in the

right direction but ought to be much tighter. In addition, we should consider putting a limit on the total amount of bonds any one firm has outstanding at any given time. Further, the combination of the accelerated cost recovery system that we enacted this year, when added to tax-free financing is too rich. Substantive legislation ought to soak up some of the excess gravy and prohibit the full use of both ACRS and IDB's procedural restraints are also necessary.

In sum, then, this substitute sends a message—a little garbled perhaps—but clear in one respect at least: big business should not use IDB's. I wish the message could be stronger but, for the time being this will suffice.

NO PRACTICAL EFFECT

Neither this amendment nor the one it replaces can change substantive law. Neither amendment can restore the so-called status quo of August 23, 1981, the date 81-216 was published. Neither amendment will have a practical effect—this tempest in a teapot is symbolic—and the signals sent are far from clear.

Why will neither have a practical effect? Because no appropriations measure can have a practical effect in the tax-free bond area. Only a change to substantive law, a change to the Internal Revenue ruling 81-216, and substantive law cannot be changed on an appropriations bill or continuing resolution. All we can do here is prohibit enforcement of an interpretation of law for a limited period.

Why will the enforcement prohibition not work? Remember that tax-exempt bonds cannot be sold without a tax lawyer's opinion or a ruling letter from the IRS stating that the bonds are exempt. No tax lawyer will render an unqualified favorable opinion on a multiple lot bond issue just because the IRS cannot enforce their regulations for a few months. Call them—my staff called several reputable bond counsels and all agreed—they could not issue a clean opinion, appropriations rider or not appropriations rider.

An appropriations rider will not give the tax lawyer adequate comfort and unless he's comfortable, the all-important clean tax opinions will not be forthcoming. The result? Nothing—no tax opinions, no bonds. Until the Finance Committee holds hearings on this issue and marks up a bill, and until Congress amends the code, this is as it should be.

RESOLUTION NO. 4

REFORMING SMALL ISSUE INDUSTRIAL DEVELOPMENT BONDS

Whereas, financial markets are inter-related; and

Whereas, some state and local governments find it difficult to compete with the Federal government and private sector for long-term capital funds under current laws permitting federal programs and private sector interests to issue tax-exempt securities; and

Whereas, legitimate and traditional capital investment needs of states and cities are not being effectively met because of the burgeoning use of small issue tax exempt industrial development bonds;

Now, therefore, be it resolved, That the National League of Cities believes that in order to ensure and demonstrate the responsible use of small issue industrial development bonds, Federal laws should require that the elected policy making bodies of state or local governments must:

(a) hold a public hearing to declare the public purpose to be served by tax exempt revenue bonds,

(b) approve each issue,

(c) report all issues to the Treasury,

(d) remain functionally and financially associated with the obligations created.

Mr. D'AMATO. 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.

Mr. ABDNOR. 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. D'AMATO. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. PACKWOOD. Objection.

The PRESIDING OFFICER. Objection is heard.

The clerk will continue to call the roll.

The legislative clerk resumed the call of the roll.

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

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. D'AMATO. Mr. President, I ask unanimous consent that the order for the yeas and nays be vitiated.

The PRESIDING OFFICER. Is there objection? Hearing no objection, the order for the yeas and nays is vitiated.

Mr. D'AMATO. Mr. President, I ask unanimous consent that there be a showing of hands on the amendment as proposed.

The PRESIDING OFFICER. Does the Senator request a voice vote?

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

The PRESIDING OFFICER. Is there objection?

Mr. DeCONCINI. I object.

The PRESIDING OFFICER. Objection is heard. The clerk will resume the call of the roll.

The legislative clerk resumed the call of the roll.

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

The PRESIDING OFFICER. Is there objection?

Mr. METZENBAUM. Objection.

Mr. PACKWOOD. Objection.

The PRESIDING OFFICER. Objection is heard. The clerk will resume the call of the roll.

The legislative clerk resumed the call of the roll.

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

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

● Mr. D'AMATO. In the continuing resolution which Congress adopted last week, and which will become public law tomorrow, an amount of \$20 million was transferred from the general postal subsidy to the revenue foregone account to

lower mailing costs for libraries, educational publications, and small newspapers. The effect of this transfer was to set the funding level for the revenue foregone account at \$639,240,000. I would like to ask the chairman of the Subcommittee on Treasury, Postal Service Appropriations, whether it is his understanding and intent that this level be maintained in conference with the House on this bill.

Mr. ABDNOR. That is the intent of this Senator. Congress has twice voted for that level of funding, and I believe it is something we can and will accomplish in the conference.

Mr. D'AMATO. The transfer of the \$20 million is meritorious, and the distinguished Senator from South Dakota is to be complimented for his efforts in this area. I thank the Senator from South Dakota. ●

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS, 1982—CONFERENCE REPORT

Mr. ANDREWS. Mr. President, I submit a report of the committee of conference on H.R. 4209 and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. QUAYLE). 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. 4209) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1982, and for other purposes have met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the Record of December 14, 1981.)

Mr. ANDREWS. Mr. President, this agreement now directs a reduction of \$439,250,000 in budget authority from the amounts which would otherwise be made available by this conference agreement for the projects or activities provided for in the Department of Transportation and Related Agencies Appropriations Act, 1982. This is the same as in the latest continuing resolution. In making this reduction, the committee directs, that to the maximum extent feasible, the earmarkings and directives contained in the conference report and joint explanatory statement of the committee of conference on the Department of Transportation and Related Agencies Appropriation Act, 1982, will be implemented. Any deviation from the language contained in that report should receive the prior approval of the House and Senate Committees on Appropriations.

The most important point that I wish to bring to my colleagues' attention is that this agreement brings the confer-

ence on the regular annual Transportation Appropriations bill into conformance with the most recently passed continuing resolution. It achieves an estimated further savings of \$306 million in outlays from the original conference agreement, representing our fair share of the budget reductions.

It meets the President's criteria for enactment. In essence, Mr. President, the difference between this measure and the recently adopted continuing resolution is that it would extend through the entire fiscal year. Because we itemized the transportation cuts in the continuing resolution, this measure fully reflects congressional priorities and avoids the pitfalls of indiscriminate across-the-board cuts.

I would like to take this opportunity to thank the Senator from Florida (Mr. CHILES), the ranking minority member, and all the other members of the subcommittee for their cooperation and diligent efforts. This has not been an easy year for those of us on the Appropriations Committee, yet each of my colleagues, and their fine staffs, have worked in a bipartisan spirit toward constructive goals. I am proud to be associated with all of them.

The agreement directs, Mr. President, that the reduction for urban discretionary grants appropriations be applied on a pro rata basis for each activity and new start project identified in the statement of the managers accompanying the conference report on the Department of Transportation and Related Agencies Appropriation Act, 1982. The agreement also directs that \$58,725,000 of the \$64,725,000 reduction in the urban formula grants account be pro rata; the remaining \$6,000,000 of the \$64,725,000 reduction in this account shall be taken from tier IV only.

Mr. President, in the case of interstate transfer grants, which were specifically earmarked by the conferees on House Joint Resolution 357, the further reductions in this agreement shall be applied on a pro rata basis to the base as specified in the joint explanatory statement of the managers on House Joint Resolution 357. In addition, for the interstate transfer grants-highway program, of the \$288,000,000, the funding for Oregon shall be \$60,000,000, the funding for northeast Illinois shall be \$125,000,000, the funding for Philadelphia shall be \$22,000,000, the funding for Omaha shall be \$2,000,000 and the remainder of the funding shall be allocated on a pro rata basis among the other earmarked highway projects.

The intention is also that none of the reduction proposed by this amendment for the Federal Railroad Administration, railroad research and development be allocated to the East St. Louis Metropolitan Gateway Area railroad restructuring project. The reduction of \$7,000,000 from the funds available for redeemable preference shares shall be derived from the amount not specifically earmarked for any project in the statement of the managers accompanying the conference report on the Department of Transportation and Related Agencies Appropriation Act, 1982.

Also, Mr. President, any personnel reductions in UMTA required by this amendment shall be taken primarily from the Washington, D.C., headquarters office.

The agreement limits the railroad branchline abandonments in the State of North Dakota to 350 miles, and the House and Senate Appropriations Committees understand that the Illinois Central Gulf Railroad has agreed to cooperate with the State in the continued operation of their railroad lines in north Mississippi. We reiterate the language appearing on page 28 of the Joint Explanatory Statement of the Committee of Conference on the Department of Transportation and Related Agencies Appropriation Act, 1982 (H.R. 4209), relating to surcharges, rate increases, and assistance from the section of rail services planning.

Mr. President, the agreement also reiterates the conference agreement and joint explanatory statement of the Committee of Conference on the Department of Transportation and Related Agencies Appropriation Act, 1982, concerning the use of census data in apportioning and allocating funds for section 18 nonurban formula grants for section 5 urban formula grants. We intend that the funds made available by this resolution be apportioned and allocated as soon as possible.

Mr. President, this is a responsible agreement. The dollars are the same as in the continuing resolution. As we all know, we never get anything exactly as we like it, but this is as close as we will ever come. It represents an agreement acceptable to both sides of the aisle, to both the House and the Senate, as well as to the President. It is time to put this bill behind us and move on to the great challenges emerging in the fiscal 1983 budget.

Mr. CHILES. Mr. President, I support the statement just made by Senator ANDREWS, the chairman of the Transportation Appropriations Subcommittee. I compliment him on the excellent bipartisan leadership that he has provided throughout the entire course of this long process that started almost a year ago last January when we began our hearings on the budget requests for the Department of Transportation. I cannot understate my admiration for the work Senator ANDREWS has done. I believe that he has demonstrated himself to be one of the genuine Appropriations Committee experts here in the Senate.

As our time is short and the legislative period is late, I shall not go into any great detail in this matter. I would, however, like to comment on several items. The continuing resolution, House Joint Resolution 370, in section 143(g) exempted a number of Federal activities from any of the reductions made in that continuing resolution. One of the exemptions was for law enforcement activities and specifically included in this list of exemptions were the law enforcement activities for the U.S. Coast Guard.

While there is no specific Coast Guard appropriation account entitled "law enforcement", many of the Coast Guard

appropriation accounts do include significant law enforcement activities. It is our intention therefore that none of the law enforcement activities of the Coast Guard should be reduced below the level included in the conference agreement on H.R. 4209, the Transportation bill.

Mr. President, I would like to make one further comment on the Coast Guard. Included in this measure are significant moneys and direction to the Coast Guard to become more actively involved in our war against drugs and specifically to become more involved in drug interdiction at sea.

I would like to call attention to the report language we have on this matter in both our Senate report and the conference report. Senator ANDREWS, the chairman of the subcommittee, and I and others in the House and Senate intend to pursue this matter to insure that our guidance is followed. I would like to re-emphasize one point, however, that the moneys we have provided for drug interdiction are also intended to be available and to be used to the extent it is necessary for shore support facilities.

We can no longer let the Coast Guard place their cutters, helicopters, and personnel only in those areas that already have appropriate shore facilities. We must take the Coast Guard to where the problems are, and that means some of these moneys will almost certainly need to be spent for shore support facilities to permit the Coast Guard to cluster a number of its cutters, helicopters, and aircraft in areas where they can be of direct assistance in this Nation's war against the foreign drug invasion.

Mr. President, on another matter in support of the statement made by Chairman HATFIELD last week and Chairman ANDREWS today, all these further reductions shall be made in a totally pro rata fashion, unless otherwise stated, so as to respect and implement as near as possible the earmarkings and guidance provided in the conference report on H.R. 4209. For example, in section 3 of the Urban Mass Transportation Administration we have recommended almost \$15 million of additional reductions. There are several small programs and activities that could be totally eliminated or severely crippled if this entire reduction were made to those specific projects. It is our intention, therefore, that this cut, which is approximately 1 percent of the total to section 3, as it relates to the levels of the vetoed continuing resolution, shall be applied in a manner so that no project or activity is reduced by more than 1 percent.

Mr. ANDREWS. Mr. President, I thank the Senator from Florida for his comments and give my full support to them. I think it is important that Senator CHILES has made these comments, as they reemphasize our congressional intent on several important matters.

Mr. President, I ask unanimous consent that a tabular summary of the bill, as agreed to by the conferees, be printed in the RECORD.

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

TITLE I - DEPARTMENT OF TRANSPORTATION

Office of the Secretary

	FY 1981 New BA Enacted	Sept. Budget Estimates	New BA House	New BA Senate	Amended Conference Agreement	Conference compared with Enacted	Conference compared with Estimates	Conference compared with House Bill	Conference compared with Senate Bill
Salaries and expenses.....	36,207,000	35,024,000	35,193,204	35,000,000	35,100,000	-1,107,000	+76,000	-93,204	+100,000
Transportation planning, research, and development....	10,788,699	8,492,000	7,250,000	7,250,000	7,250,000	-3,538,699	-1,242,000	---	---
Reduction, OST.....	---	---	---	---	-4,500,000	-4,500,000	-4,500,000	-4,500,000	-4,500,000
(Limitation on working capital fund).....	(57,843,000)	(71,309,000)	(70,909,000)	(70,909,000)	(70,909,000)	(+13,066,000)	(-400,000)	---	---
Total, Office of the Secretary.....	46,995,699	43,516,000	42,443,204	42,250,000	37,850,000	-9,145,699	-5,666,000	-4,593,204	-4,400,000

Coast Guard

Operating expenses.....	1,337,207,000	1,234,580,000	1,409,086,000	1,337,207,000	1,356,600,000	+19,393,000	+122,020,000	-52,486,000	+19,393,000
Appropriation for debt reduction.....	-233,935	-244,073	-244,073	-244,073	-244,073	-10,138	---	---	---
Total, operating expenses.....	1,336,973,065	1,234,335,927	1,408,841,927	1,336,962,927	1,356,355,927	+19,382,862	+122,020,000	-52,486,000	+19,393,000
Acquisition, construction, and improvements.....	333,985,000	330,000,000	391,000,000	537,000,000	384,000,000	+50,015,000	+54,000,000	-7,000,000	-153,000,000
Alteration of bridges.....	15,850,000	15,400,000	17,500,000	15,000,000	8,000,000	-7,850,000	-7,400,000	-9,500,000	-7,000,000
Retired pay.....	244,000,000	288,000,000	279,000,000	279,000,000	279,000,000	+35,000,000	-9,000,000	---	---
(By transfer).....	(2,000,000)	---	---	---	---	(-2,000,000)	---	---	---
Reserve trainings.....	49,483,000	44,957,000	50,900,000	45,000,000	49,483,000	---	+4,526,000	-1,417,000	+4,483,000
Research, development, test, and evaluation.....	25,000,000	26,162,000	29,730,000	22,000,000	18,000,000	-7,000,000	-8,162,000	-11,730,000	-4,000,000
Offshore oil pollution compensation fund:									
Appropriation.....	12,000,000	8,404,000	9,550,000	1,000,000	2,000,000	-10,000,000	-6,404,000	-7,550,000	+1,000,000
Authority to borrow.....	2,000,000	---	---	---	---	-2,000,000	---	---	---
Coast Guard supply fund.....	1,500,000	1,320,000	1,500,000	1,320,000	1,320,000	-180,000	---	-180,000	---
Deepwater port liability fund.....	5,000,000	8,800,000	5,000,000	1,000,000	2,000,000	-3,000,000	-6,800,000	-3,000,000	+1,000,000
Pollution fund.....	15,000,000	7,040,000	---	1,000,000	---	-15,000,000	-7,040,000	---	-1,000,000
Total, Coast Guard.....	2,040,791,065	1,964,418,927	2,193,021,927	2,239,282,927	2,100,158,927	+59,367,862	+135,740,000	-92,863,000	-139,124,000

Federal Aviation Administration

Operations.....	2,340,400,000	2,128,192,000	2,306,200,000	2,199,792,000	2,095,000,000	-245,400,000	-33,192,000	-211,200,000	-104,792,000
(By transfer).....	---	---	(3,400,000)	(3,400,000)	(3,400,000)	(+3,400,000)	(+3,400,000)	---	---
Facilities, engineering, and development.....	21,155,000	---	19,000,000	17,797,000	8,797,000	-12,358,000	+8,797,000	-10,203,000	-9,000,000
Facilities and equipment.....	350,000,000	284,847,000	353,570,000	284,847,000	260,847,000	-89,153,000	-24,000,000	-92,723,000	-24,000,000
Research, engineering and development.....	85,000,000	92,233,000	80,000,000	71,800,000	55,800,000	-29,200,000	-36,433,000	-24,200,000	-16,000,000
Grants-in-aid for airports (liquidation of contract authorization) (Airport and Airway Trust Fund).....	(595,000,000)	(471,000,000)	(481,000,000)	(471,000,000)	(471,000,000)	(-124,000,000)	---	(-10,000,000)	---
Operation and maintenance, Metropolitan Washington Airports.....	29,208,000	26,922,000	30,593,000	26,922,000	29,982,000	+774,000	+3,060,000	-611,000	+3,060,000
Construction, Metropolitan Washington Airports.....	16,200,000	34,760,000	38,900,000	34,760,000	26,700,000	+10,500,000	-8,060,000	-12,200,000	-8,060,000
Aircraft purchase loan guarantee program (Limitation on new loan guarantees).....	(350,000,000)	(100,000,000)	(175,000,000)	(100,000,000)	(100,000,000)	(-250,000,000)	---	(-75,000,000)	---
Total, Federal Aviation Administration.....	2,841,963,000	2,566,954,000	2,828,263,000	2,635,918,000	2,477,126,000	-364,837,000	-89,828,000	-351,137,000	-158,792,000

	FY 1981 New BA Enacted	Sept. Budget Estimates	New BA House	New BA Senate	Amended Conference Agreement	Conference compared with Enacted	Conference compared with Estimates	Conference compared with House Bill	Conference compared with Senate Bill
Federal Highway Administration									
(Limitation on general operating expenses).....	(196,282,000)	(187,440,000)	(200,400,000)	(187,440,000)	(192,440,000)	(-3,842,000)	(+5,000,000)	(-7,960,000)	(+5,000,000)
Motor carrier safety.....	14,350,000	12,893,000	14,500,000	12,893,000	12,893,000	-1,457,000	---	-1,607,000	---
(By transfer).....	(555,000)	---	---	---	---	(-555,000)	---	---	---
Highway safety research and development.....	9,000,000	8,360,000	7,200,000	6,860,000	4,860,000	-4,140,000	-3,500,000	-2,340,000	-2,000,000
(By transfer).....	---	---	(1,800,000)	(1,500,000)	(1,500,000)	(+1,500,000)	(+1,500,000)	(-300,000)	---
Highway beautification.....	6,600,000	---	2,000,000	---	500,000	-6,100,000	+500,000	-1,500,000	+500,000
Highway-related safety grants (liquidation of contract authorization) (Trust Fund).....	(29,500,000)	(23,300,000)	(23,300,000)	(23,300,000)	(23,300,000)	(-6,200,000)	---	---	---
Railroad-highway crossings demonstration projects.....	---	---	18,000,000	15,335,000	17,335,000	+17,335,000	+17,335,000	-665,000	+2,000,000
Territorial highways.....	6,600,000	---	6,000,000	---	3,000,000	-3,600,000	+3,000,000	-3,000,000	+3,000,000
National scenic and recreational highway (liquidation of contract authorization).....	(21,000,000)	(21,000,000)	(21,000,000)	(21,000,000)	(21,000,000)	---	---	---	---
Access highways to public recreation areas on certain lakes.....	16,525,000	---	---	---	---	-16,525,000	---	---	---
Reappropriation.....	4,798,000	---	---	---	---	-4,798,000	---	---	---
Federal-aid highways (liquidation of contract authorization) (Trust Fund).....	(8,750,000,000)	(8,000,000,000)	(8,000,000,000)	(8,000,000,000)	(8,000,000,000)	(-750,000,000)	---	---	---
Interstate transfer grants-highways.....	---	176,000,000	400,000,000	200,000,000	288,000,000	+288,000,000	+112,000,000	-112,000,000	+88,000,000
Right-of-way Revolving Fund (liquidation of contract authorization) (Trust Fund).....	---	(45,000,000)	(25,000,000)	(25,000,000)	(25,000,000)	(+25,000,000)	(-20,000,000)	---	---
Carpool and vanpool projects.....	1,000,000	---	---	---	---	-1,000,000	---	---	---
Appalachian highway system (trust fund).....	---	165,000,000	---	---	---	---	-165,000,000	---	---
Urban high density traffic program(contract authority)	33,959,000	---	---	---	---	-33,959,000	---	---	---
Total, Federal Highway Administration.....	92,832,000	362,253,000	447,700,000	235,088,000	326,588,000	+233,756,000	-35,665,000	-121,112,000	+91,500,000
National Highway Traffic Safety Administration									
Operations and research.....	85,876,000	81,948,000	85,876,000	79,000,000	74,900,000	-10,976,000	-7,048,000	-10,976,000	-4,100,000
State and community highway safety:									
Appropriation.....	38,593,000	---	975,308	---	---	-38,593,000	---	-975,308	---
(Liquidation of contract authorization).....	(163,800,000)	(150,352,000)	(145,000,000)	(150,200,000)	(150,200,000)	(-13,600,000)	(-152,000)	(+5,200,000)	---
Total, National Highway Traffic Safety Administration.....	124,469,000	81,948,000	86,851,308	79,000,000	74,900,000	-49,569,000	-7,048,000	-11,951,308	-4,100,000
Federal Railroad Administration									
Office of the Administrator.....	8,338,000	7,522,000	4,315,000	7,522,000	7,022,000	-1,316,000	-500,000	+2,707,000	-500,000
Railroad safety.....	27,250,000	23,676,000	26,904,000	26,676,000	24,176,000	-3,074,000	+500,000	-2,728,000	-2,500,000
Railroad research and development.....	50,000,000	40,000,000	34,000,000	36,000,000	30,000,000	-20,000,000	-10,000,000	-4,000,000	-6,000,000
Rail Service Assistance:									
Rail service assistance.....	159,804,000	22,061,000	15,624,000	23,069,000	14,500,000	-145,304,000	-7,561,000	-1,124,000	-8,569,000
Appropriation for debt reduction.....	-60,381,000	---	---	---	---	+60,381,000	---	---	---
Total, rail service assistance.....	99,423,000	22,061,000	15,624,000	23,069,000	14,500,000	-84,923,000	-7,561,000	-1,124,000	-8,569,000
Rail labor assistance.....	69,000,000	---	---	---	---	-69,000,000	---	---	---
(By transfer).....	---	(25,000,000)	---	(25,000,000)	(25,000,000)	(+25,000,000)	---	(+25,000,000)	---

Conrail workforce reduction program.....	10,000,000	---	80,000,000	---	---	-10,000,000	---	-80,000,000	---
(By transfer).....	(5,000,000)	(115,000,000)	---	(115,000,000)	(100,000,000)	(+95,000,000)	(-15,000,000)	(+100,000,000)	(-15,000,000)
Conrail labor protection (by transfer).....	(5,000,000)	(85,000,000)	---	(85,000,000)	(85,000,000)	(+80,000,000)	---	(+85,000,000)	---
Northeast corridor improvement program.....	350,000,000	176,000,000	200,000,000	176,000,000	170,000,000	-180,000,000	-6,000,000	-30,000,000	-6,000,000
Grants to the National Railroad Passenger Corporation, (By transfer).....	881,000,000	373,440,000	544,000,000	569,000,000	569,000,000	-312,000,000	+195,560,000	+25,000,000	---
(15,300,000)	---	---	---	---	---	(-15,300,000)	---	---	---
Advance appropriation for 1982.....	166,000,000	---	---	---	---	-166,000,000	---	---	---
Commuter rail service.....	---	50,000,000	22,000,000	50,000,000	60,000,000	+60,000,000	+10,000,000	+38,000,000	+10,000,000
Payments to the Alaska Railroad Revolving Fund.....	12,640,000	6,160,000	---	6,160,000	6,160,000	-6,480,000	---	+6,160,000	---
Railroad Rehabilitation and Improvement Financing Funds:									
(Rescission).....	-1,000,000	---	---	---	---	+1,000,000	---	---	---
(Limitation on loan guarantees).....	(770,000,000)	(870,000,000)	(770,000,000)	(770,000,000)	(770,000,000)	---	(-100,000,000)	---	---
(Limitation on new loan guarantees).....	---	(320,000,000)	(270,000,000)	(270,000,000)	(270,000,000)	(+270,000,000)	(-50,000,000)	---	---
(Limitation on new loan guarantees under Emergency Rail Services Act).....	(20,000,000)	(2,600,000)	(2,600,000)	(2,600,000)	(2,600,000)	(-17,400,000)	---	---	---
Redeemable preference shares.....	---	---	---	---	---	---	---	---	---
Appropriation.....	25,000,000	---	50,000,000	---	---	-25,000,000	---	-50,000,000	---
Authority to borrow.....	---	40,000,000	---	60,000,000	35,500,000	+35,500,000	-4,500,000	+35,500,000	-24,500,000
(By transfer).....	---	---	---	---	(25,000,000)	(+25,000,000)	(+25,000,000)	(+25,000,000)	(+25,000,000)
Settlements of railroad litigation.....	2,113,000,000	---	---	---	---	-2,113,000,000	---	---	---
Appropriation for debt reduction.....	-2,113,000,000	---	---	---	---	+2,113,000,000	---	---	---
Total, Federal Railroad Administration.....	1,697,651,000	738,859,000	976,843,000	954,427,000	916,358,000	-781,293,000	+177,499,000	-60,485,000	-38,069,000
Advance appropriation for 1982.....	(166,000,000)	---	---	---	---	(-166,000,000)	---	---	---
Urban Mass Transportation Administration									
Administrative expenses.....	22,200,000	25,476,000	28,300,000	25,476,000	23,888,000	+1,688,000	-1,588,000	-4,412,000	-1,588,000
(By transfer).....	(1,000,000)	---	---	---	---	(-1,000,000)	---	---	---
Research, development, and demonstrations and university research and trainings.....	65,500,000	61,600,000	69,000,000	61,600,000	51,600,000	-13,900,000	-10,000,000	-17,400,000	-10,000,000
(By transfer).....	(2,000,000)	---	---	---	---	(-2,000,000)	---	---	---
Urban discretionary grants.....	2,190,000,000	1,333,200,000	1,555,000,000	1,428,000,000	1,449,500,000	-740,500,000	+116,300,000	-105,500,000	+21,500,000
(By transfer).....	---	---	(11,000,000)	(11,000,000)	(11,000,000)	(+11,000,000)	(+11,000,000)	---	---
Non-urban formula grants.....	72,500,000	66,000,000	72,500,000	72,500,000	68,500,000	-4,000,000	+2,500,000	-4,000,000	-4,000,000
Urban formula grants.....	1,455,000,000	1,302,400,000	1,480,000,000	1,381,000,000	1,365,250,000	-89,750,000	+62,850,000	-114,750,000	-15,750,000
(Liquidation of contract authorization).....	(1,500,000,000)	(1,200,000,000)	(1,200,000,000)	(1,200,000,000)	(1,200,000,000)	(-300,000,000)	---	---	---
Waterborne transportation demonstration project.....	-10,700,000	---	---	-2,000,000	-2,000,000	+8,700,000	-2,000,000	-2,000,000	---
Interstate transfer grants-transit.....	865,000,000	528,000,000	600,000,000	550,000,000	538,000,000	-327,000,000	+10,000,000	-62,000,000	-12,000,000
Met UMTA (Outlays).....	---	---	---	---	---	---	---	---	---
Total, Urban Mass Transportation Administration.....	4,659,500,000	3,316,676,000	3,804,800,000	3,516,576,000	3,494,738,000	-1,164,762,000	+178,062,000	-310,062,000	-21,838,000
Saint Lawrence Seaway Development Corporation									
(Limitation on administrative expenses).....	(1,730,000)	(1,409,000)	(1,601,000)	(1,601,000)	(1,601,000)	(-129,000)	(+192,000)	---	---
Research and Special Programs Administration									
Research and special programs.....	31,420,000	26,441,000	29,837,000	26,441,000	17,441,000	-13,979,000	-9,000,000	-12,396,000	-9,000,000
Cooperative automotive research.....	500,000	---	---	---	---	-500,000	---	---	---
Total, Research and special programs admin.....	31,920,000	26,441,000	29,837,000	26,441,000	17,441,000	-14,479,000	-9,000,000	-12,396,000	-9,000,000

	FY 1981 New BA Enacted	Sept. Budget Estimates	New BA House	New BA Senate	Amended Conference Agreement	Conference compared with Enacted	Conference compared with Estimates	Conference compared with House Bill	Conference compared with Senate Bill
Office of the Inspector General									
Salaries and expenses.....	14,657,000	13,047,000	14,826,000	13,047,000	13,047,000	-1,610,000	---	-1,779,000	---
(By transfer).....	(8,470,000)	(9,200,000)	(9,454,000)	(9,200,000)	(9,200,000)	(+730,000)	---	(-254,000)	---
Total, title I, Department of Transportation:									
New budget (obligational) authority.....	11,550,778,764	9,114,112,927	10,424,585,439	9,742,029,927	9,458,206,927	-2,092,571,837	+344,094,000	-966,378,512	-283,823,000
Appropriations.....	(13,518,636,699)	(9,074,357,000)	(10,424,829,512)	(9,682,274,000)	(9,422,951,000)	(-4,095,685,699)	(+348,594,000)	(-1,001,878,512)	(-259,323,000)
Appropriations for debt reduction.....	(-2,173,614,935)	(-244,073)	(-244,073)	(-244,073)	(-244,073)	(+2,173,370,862)	---	---	---
Advance appropriation for 1982.....	(166,000,000)	---	---	---	---	(-166,000,000)	---	---	---
Reappropriations.....	(4,798,000)	---	---	---	---	(-4,798,000)	---	---	---
Authority to borrow.....	(2,000,000)	(40,000,000)	---	(60,000,000)	(35,500,000)	(+33,500,000)	(-4,500,000)	(+35,500,000)	(-24,500,000)
(By transfer).....	(39,325,000)	(234,200,000)	(25,654,000)	(250,100,000)	(260,100,000)	(+220,775,000)	(+25,900,000)	(+234,446,000)	(+10,000,000)
(Limitations).....	(198,012,000)	(188,849,000)	(202,001,000)	(189,041,000)	(194,041,000)	(-3,971,000)	(+5,192,000)	(-7,960,000)	(+5,000,000)
(Limitations on loan guarantees).....	(770,000,000)	(870,000,000)	(770,000,000)	(770,000,000)	(770,000,000)	---	(-100,000,000)	---	---
(Limitations on new loan guarantees).....	(370,000,000)	(422,600,000)	(447,600,000)	(372,600,000)	(372,600,000)	(+2,600,000)	(-50,000,000)	(-75,000,000)	---
(Limitation on working capital fund).....	(57,843,000)	(71,309,000)	(70,909,000)	(70,909,000)	(70,909,000)	(+13,066,000)	(-400,000)	---	---
(Liquidation of contract authorization).....	(11,059,300,000)	(9,910,652,000)	(9,895,300,000)	(9,890,500,000)	(9,890,500,000)	(-1,168,800,000)	(-20,152,000)	(-4,800,000)	---
TITLE II - RELATED AGENCIES									
Architectural and Transportation Barriers Compliance Board									
Salaries and expenses.....	---	---	2,070,000	1,821,000	1,900,000	+1,900,000	+1,900,000	-170,000	+79,000
National Transportation Safety Board									
Salaries and expenses.....	18,440,000	16,742,000	19,125,000	19,125,000	17,125,000	-1,315,000	+383,000	-2,000,000	-2,000,000
Civil Aeronautics Board									
Salaries and expenses.....	29,194,000	26,266,000	29,280,000	26,266,000	25,500,000	-3,694,000	-766,000	-3,780,000	-766,000
Payments to air carriers.....	106,300,000	65,900,000	58,000,000	65,900,000	65,900,000	-40,400,000	---	+7,900,000	---
Total, Civil Aeronautics Board.....	135,494,000	92,166,000	87,280,000	92,166,000	91,400,000	-44,094,000	-766,000	+4,120,000	-766,000
Interstate Commerce Commission									
Salaries and expenses.....	82,400,000	69,520,000	74,150,000	74,150,000	70,150,000	-12,250,000	+630,000	-4,000,000	-4,000,000
Payments for directed rail service (limitation on obligations).....	(10,000,000)	---	(10,000,000)	(10,000,000)	(10,000,000)	---	(+10,000,000)	---	---
(By transfer).....	(2,500,000)	---	---	---	---	(-2,500,000)	---	---	---
Total, Interstate Commerce Commission.....	82,400,000	69,520,000	74,150,000	74,150,000	70,150,000	-12,250,000	+630,000	-4,000,000	-4,000,000

	FY 1981 New BA Enacted	Sept. Budget Estimates	New BA House	New BA Senate	Amended Conference Agreement	Conference compared with Enacted	Conference compared with Estimates	Conference compared with House Bill	Conference compared with Senate Bill
obligations).....	(150,405,000)	(67,760,000)	(100,000,000)	(85,000,000)	(92,500,000)	(-57,905,000)	(+24,740,000)	(-7,500,000)	(+7,500,000)
Consultant services.....	-3,894,000	---	---	---	---	+3,894,000	---	---	---
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Total, title III, general provisions:									
New budget (obligational) authority.....	-3,894,000	---	---	---	---	+3,894,000	---	---	---
(General provisions).....	(9,525,905,000)	(7,745,760,000)	(9,070,000,000)	(8,355,000,000)	(8,662,500,000)	(-863,405,000)	(+916,740,000)	(-407,500,000)	(+307,500,000)
<hr/>									
RECAPITULATION									
<hr/>									
Grand total, titles I, II, and III:									
New budget (obligational) authority, or									
Total Outlays.....	12,779,738,764	9,776,966,927	11,090,306,439	10,414,397,927	10,119,887,927	-2,659,850,837	+342,921,000	-970,418,512	-294,510,000
Prior Year Outlays.....	---	---	---	---	---	---	---	---	---
Outlays new.....	12,779,738,764	9,776,966,927	11,090,306,439	10,414,397,927	10,119,887,927	-2,659,850,837	+342,921,000	-970,418,512	-294,510,000
Appropriations.....	(14,747,596,699)	(9,737,211,000)	(11,090,550,512)	(10,354,642,000)	(10,084,632,000)	(-4,662,964,699)	(+347,421,000)	(-1,005,918,512)	(-270,010,000)
Appropriations for debt reduction.....	(-2,173,614,935)	(-244,073)	(-244,073)	(-244,073)	(-244,073)	(+2,173,370,862)	---	---	---
Advance appropriation for 1982.....	(166,000,000)	---	---	---	---	(-166,000,000)	---	---	---
Authority to borrow.....	(2,000,000)	(40,000,000)	---	(60,000,000)	(35,500,000)	(+33,500,000)	(-4,500,000)	(+35,500,000)	(-24,500,000)
Reappropriations.....	(4,798,000)	---	---	---	---	(-4,798,000)	---	---	---
(By transfer).....	(41,825,000)	(234,200,000)	(25,654,000)	(250,100,000)	(260,100,000)	(+218,275,000)	(+25,900,000)	(+234,446,000)	(+10,000,000)
(Limitations).....	(198,012,000)	(188,849,000)	(202,001,000)	(189,041,000)	(194,041,000)	(-3,971,000)	(+5,192,000)	(-7,960,000)	(+5,000,000)
(Limitations on obligations).....	(9,535,905,000)	(7,745,760,000)	(9,080,000,000)	(8,365,000,000)	(8,672,500,000)	(-863,405,000)	(+926,740,000)	(-407,500,000)	(+307,500,000)
(Limitations on loan guarantees).....	(770,000,000)	(870,000,000)	(770,000,000)	(770,000,000)	(770,000,000)	---	(-100,000,000)	---	---
(Limitations on new loan guarantees).....	(370,000,000)	(422,600,000)	(447,600,000)	(372,600,000)	(372,600,000)	(+2,600,000)	(-50,000,000)	(-75,000,000)	---
(Limitation on working capital fund).....	(57,843,000)	(71,309,000)	(70,909,000)	(70,909,000)	(70,909,000)	(+13,066,000)	(-400,000)	---	---
<hr/>									
Memoranda:									
(Appropriations to liquidate contract									
authorizations).....	(11,059,300,000)	(9,910,652,000)	(9,895,300,000)	(9,890,500,000)	(9,890,500,000)	(-1,168,800,000)	(-20,152,000)	(-4,800,000)	---
(Appropriation for debt reduction).....	(2,173,614,935)	(244,073)	(244,073)	(244,073)	(244,073)	(-2,173,370,862)	---	---	---
<hr/>									
Total, appropriations including appropriations									
to liquidate contract authorization and									
appropriations for debt reduction.....	(26,012,653,699)	(19,687,863,000)	(20,985,850,512)	(20,305,142,000)	(20,010,632,000)	(-6,002,021,699)	(+322,769,000)	(-975,218,512)	(-294,510,000)
<hr/>									
Total mandatory and discretionary.....	12,779,738,764	9,776,966,927	11,090,306,439	10,414,397,927	10,119,887,927	-2,659,850,837	+342,921,000	-970,418,512	-294,510,000
Mandatory.....	(350,300,000)	(353,900,000)	(337,000,000)	(344,900,000)	(344,900,000)	(-5,400,000)	(-9,000,000)	(+7,900,000)	---
Discretionary.....	(12,429,438,764)	(9,423,066,927)	(10,753,306,439)	(10,069,497,927)	(9,774,987,927)	(-2,654,450,837)	(+351,921,000)	(-978,318,512)	(-294,510,000)

Mr. ANDREWS. Mr. President, I move that the Senate adopt the conference report on H.R. 4209.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

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

Mr. PACKWOOD. 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 amendments in disagreement.

The legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 46 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: "That an additional \$5,000,000 shall be derived from the National Recreational Boating Safety and Facilities Improvement Fund to implement a program of recreational boat safety, designed by the Secretary pursuant to 46 U.S.C. 1475 and for the purposes set out in Public Law 97-12: *Provided further*,"

Resolved, That the House recede from the disagreement to the amendment of the Senate numbered 7 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum named in said amendment, insert: "\$175,000,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 8 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: "\$12,000,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 24 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: "\$31,700,000".

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 stricken and inserted by said amendment, insert: "New commitments to guarantee loans shall be exclusively for the purchase of aircraft designed to have a maximum passenger capacity of sixty seats or less or a maximum cargo payload of eighteen thousand pounds or less, and shall not exceed in the aggregate \$100,000,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 30 to the aforesaid bill, and concur therein with an amendment as follows:

Restore the matter stricken by said amendment amended to read as follows:

HIGHWAY BEAUTIFICATION

For necessary expenses in carrying out section 131 of title 23 U.S.C. and section 104 (a)(11) of the Surface Transportation Assistance Act of 1978, \$2,000,000 to remain available until expended: *Provided*, That, notwithstanding any other provision of law, any determination as to whether any outdoor advertising sign, display, or device is or has been lawfully erected under State law or is entitled to compensation shall not be affected by any waiver of compensation.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 46 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: "\$39,000,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 50 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

RAIL LABOR ASSISTANCE (TRANSFER OF FUNDS)

For payment of benefits under section 1160 of the Northeast Rail Service Act of 1981, \$25,000,000, to remain available until expended, to be derived from the unobligated balances of "Payments for Purchase of Conrail Securities": *Provided*, That such sum shall be considered to have been appropriated under said section 1160.

CONRAIL WORKFORCE REDUCTION PROGRAM (TRANSFER OF FUNDS)

For expenses of the Conrail Workforce Reduction Program as authorized by section 713 of the Regional Rail Reorganization Act of 1973 as added by section 1143 of the Northeast Rail Service Act of 1981, \$100,000,000, to remain available until expended, to be derived from the unobligated balances of "Payments for Purchase of Conrail Securities": *Provided*, That, such sum shall be considered to have been appropriated to the Secretary under section 713 of the Regional Rail Reorganization Act of 1973 to be available for the payment of termination allowances under section 702 of that Act: *Provided further*, That, for purposes of section 710 of the Regional Rail Reorganization Act of 1973 as added by section 1143 of the Northeast Rail Service Act of 1981, such sum shall be considered to have been appropriated under section 713 of the Regional Rail Reorganization Act of 1973 and counted against the limitation on the total liability of the United States.

CONRAIL LABOR PROTECTION (TRANSFER OF FUNDS)

For labor protection as authorized by section 713 of the Regional Rail Reorganization Act of 1973 as added by section 1143 of the Northeast Rail Service Act of 1981, \$85,000,000, to remain available until expended, to be derived from the unobligated balances of "Payments for Purchase of Conrail Securities": *Provided*, That, such sum shall be considered to have been appropriated to the Secretary under said section 713 for transfer to the Railroad Retirement Board for the payment of benefits under section 701 of the Regional Rail Reorganization Act of 1973, as amended: *Provided further*, That, for purposes of section 710 of the Regional Rail Reorganization Act of 1973 as added by section 1143 of the Northeast Rail Service Act of 1981, such sum shall be considered to have been appropriated under section 713 of the Regional Rail Reorganization Act of 1973 and counted against the limitation on the total liability of the United States: *Provided further*, That, in addition, such sums as may be necessary shall be derived from the unobligated balances of "Payments for Purchase of Conrail Securities" for necessary expenses of administration of section 701 of the Regional Rail Reorganization Act of 1973 by the Railroad Retirement Board.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 54 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: "Notwithstanding any other provision of law, none of the funds appropriated for the benefit of the Corpora-

tion pursuant to this Act or the revenues or other assets of the Corporation or any railroad subsidiary thereof shall be available for payment to any State, political subdivision of a State, or local taxing authority for any taxes or other fees levied on the Corporation: *Provided*, That notwithstanding any provision of law, the Corporation shall pay all taxes or other fees appropriately levied on its facilities in Beech Grove, Indiana".

(DISAPPROVAL OF DEFERRAL)

The Congress disapproves in its entirety deferral D82-217 relating to the Federal Railroad Administration, Grants to the National Railroad Passenger Corporation, as set forth in the message of November 6, 1981, which was transmitted to the Congress by the President. This disapproval shall be effective immediately and the amount of the proposed deferral disapproved herein shall be made available for obligation.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 55 to the aforesaid bill, and concur therein with an amendment as follows:

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

COMMUTER RAIL SERVICE

For necessary expenses to carry out the commuter rail activities authorized by section 601(d) of the Rail Passenger Service Act (45 U.S.C. 601), as amended, \$15,000,000, and for necessary expenses to carry out section 1139(b) of Public Law 97-35, \$45,000,000, to remain available until expended.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 58 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: "for uses authorized for the Fund, in amounts not to exceed \$67,500,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 64 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: "1970 decennial census until March 31, 1982, after which date funds apportioned under this appropriation shall be distributed on the basis of data from the 1980".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 66 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: "1970 decennial census until March 31, 1982, after which date funds apportioned under this appropriation shall be distributed on the basis of data from the 1980".

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: "Notwithstanding any other provision of law, none of the funds appropriated by this Act shall be expended under section 406 for services provided after 95 days following the date of enactment of this Act to points which, based on reports filed with the Civil Aeronautics Board, enplaned an average of eighty or more passengers per day in the fiscal year ended September 30, 1981".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 78 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: "Provided further, That, notwithstanding any other provision of law, payments under section 406, exclusive of payments for services provided within the State of Alaska, shall not exceed a total of \$14,000,000 for services provided during the period between March 31, 1982, and September 30, 1982, and, to the extent it is necessary to meet this limitation, the compensation otherwise payable by the Board under section 406 shall be reduced by a percentage which is the same for all air carriers receiving such compensation: *Provided further*, That, notwithstanding any other provision of law, payments under section 406 for services provided within the State of Alaska during the period between March 31, 1982, and September 30, 1982, shall not exceed a total of \$5,500,000 and, to the extent it is necessary to meet this limitation, the compensation otherwise payable by the Board under section 406 shall be reduced by a percentage which is the same for all carriers receiving such compensation: *Provided further*, That the foregoing limitations shall not apply to payments made pursuant to the requirements of section 419(a)(7)(A) nor shall such payments be reduced by virtue of such provision: *Provided further*, That the provisions of this paragraph shall be effective only until modified by subsequent legislation."

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 84 to the aforesaid bill, and concur therein with an amendment as follows:

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

DEPARTMENT OF THE TREASURY

OFFICE OF THE SECRETARY

INVESTMENT IN FUND ANTICIPATION NOTES (Including Transfer of Funds)

For the acquisition, in accordance with section 509 of the Railroad Revitalization and Regulatory Reform Act of 1976, as amended, and section 803 of Public Law 95-620, of fund anticipation notes, \$67,500,000, of which \$25,000,000 shall be derived from the unobligated balances of "Payments for Purchase of Conrail Securities".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 90 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: "and \$15,000,000 for the Bismarck-Mandan Bridge, \$4,000,000 for the Steubenville-Weirton Bridge, and necessary funds required during fiscal year 1982 for the Dickey Road Bridge in East Chicago, Indiana, and the U.S. 12 Bridge over Trail Creek in Michigan City, Indiana."

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 93 to the aforesaid bill, and concur therein with an amendment as follows:

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

"Sec. 311. None of the funds provided in this Act shall be used by the Interstate Commerce Commission to approve railroad branchline abandonments in fiscal year 1982 in any State in excess of 3 per centum of a State's total mileage of railroad lines operated: *Provided*, That this limitation shall not apply to any abandonment of Conrail railroad lines: *Provided further*, That exceptions to this limitation shall be made only upon the specific approval of each of the appropriate committees of Congress."

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 99 to the aforesaid bill, and concur therein with an amendment as follows:

Restore the matter stricken by said amendment to read as follows:

Sec. 324. None of the funds appropriated by this Act shall be used to implement, administer, or enforce Order 81-5-27 of the Civil Aeronautics Board or any other order of the Civil Aeronautics Board which prohibits or has the effect of prohibiting any U.S. air carrier from participating in the International Air Transport Association's North Atlantic Traffic Conference under its existing articles and provisions: *Provided*, That this limitation may be terminated by an appropriate resolution adopted by the House Public Works and Transportation Committee or the Senate Commerce Committee.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 100 to the aforesaid bill, and concur therein with an amendment as follows:

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

"Sec. 325. Notwithstanding any other provision of law, the Secretary shall, with regard to the Urban Discretionary Grant Program of the Urban Mass Transportation Administration, promptly issue a letter of intent for the Dade County, Florida, Circulator System for \$63,642,666, and, in addition, shall promptly issue a letter of intent for non-rail projects in the Portland, Oregon, Metropolitan region for \$76,800,000 and also issue a letter of intent for the Southeast Michigan Central Automated Transit System for 110 million 1981 dollars."

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 101 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section number named in said amendment, insert: "326".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 102 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section number named in said amendment, insert: "327".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 103 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section number named in said amendment, insert: "328".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 104 to the aforesaid bill, and concur therein with an amendment as follows:

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

"Sec. 329. As used in section 502(a)(1)(B) of the Rail Passenger Service Act, the term "Amtrak Commuter" shall mean, with respect to the period prior to January 1, 1983, "Conrail".

TITLE IV

SEC. 401. Notwithstanding any other provision of this Act, appropriations made available for the projects or activities provided for in this Act are hereby reduced in the following amounts:

DEPARTMENT OF TRANSPORTATION

Office of the Secretary, salaries and expenses and transportation planning, research, and development, \$4,500,000;

Coast Guard, operating expenses, \$48,400,000, of which \$5,000,000 shall be deducted from the amounts made available for recreational boating safety; acquisition, construction and improvements, \$16,000,000; alteration of bridges, \$4,000,000; research, development, test, and evaluation, \$4,000,000; offshore oil pollution compensation fund, \$3,000,000; and deepwater port liability fund, \$3,000,000;

Federal Aviation Administration, operations, \$125,000,000; facilities, engineering and development, \$9,000,000; facilities and equipment (Airport and Airway Trust Fund), \$24,000,000; research, engineering and development (Airport and Airway Trust Fund), \$16,000,000; and construction, Metropolitan Washington Airports, \$5,000,000;

Federal Highway Administration, highway safety research and development, \$2,000,000; highway beautification, \$1,500,000; territorial highways, \$1,000,000; and interstate transfer grants-highways, \$37,000,000;

National Highway Traffic Safety Administration, operations and research, \$7,000,000;

Federal Railroad Administration, office of the administrator, \$500,000; railroad safety, \$2,500,000; railroad research and development, \$9,000,000; rail service assistance, \$4,000,000, of which at least \$2,000,000 shall be deducted from amounts made available for the Minority Business Resource Center; Northeast corridor improvement program, \$3,000,000; and redeemable preference shares, \$7,000,000;

Urban Mass Transportation Administration, administrative expenses, \$3,000,000; research, development, and demonstrations and university research and training, \$10,000,000; urban discretionary grants, \$29,500,000; nonurban formula grants, \$4,000,000; urban formula grants, \$64,750,000; and interstate transfer grants-transit, \$22,000,000;

Research and Special Programs Administration, research and special programs, \$9,000,000, of which \$2,500,000 shall be deducted from the amounts made available for research and development and \$750,000 shall be deducted from amounts made available for grants-in-aid as authorized by section 5 of the Natural Gas Pipeline Safety Act of 1968;

RELATED AGENCIES

Architectural and Transportation Barriers Compliance Board, salaries and expenses, \$100,000;

National Transportation Safety Board, salaries and expenses, \$2,000,000;

Civil Aeronautics Board, salaries and expenses, \$1,500,000;

Interstate Commerce Commission, salaries and expenses, \$4,000,000;

Department of the Treasury, Office of the Secretary, investment in fund anticipation notes, (\$7,000,000); and

United States Railway Association, administrative expenses, \$4,000,000.

SEC. 402. Notwithstanding any other provision of law or of this Act, none of the funds provided in this or any other Act shall hereafter be used by the Interstate Commerce Commission to approve railroad branchline abandonments in the State of North Dakota by the entity generally known as the Burlington Northern Railroad, or its agents or assignees, in excess of a total of 350 miles: *Provided*, That this section shall be in lieu of section 311 (amendment numbered 93) as set forth in the conference report and the joint explanatory statement of the committee of conference on the Department of Transportation and Related Agencies Appropriations Act, 1982 (H.R. 4209), filed in the House of Representatives on November 13, 1981 (H. Rept. No. 97-331).

SEC. 403. Notwithstanding any other provision of law or of this Act, the funds provided for section 18 nonurban formula grants and section 5 urban formula grants in this Act shall be apportioned and allocated using data from the 1970 decennial census for one-half of the sums appropriated and the remainder shall be apportioned and allocated on the basis of data from the 1980 decennial census.

SEC. 404. Notwithstanding any other provision of law or of this Act, of the fiscal year 1982 Highway Trust Fund available for

emergency relief, \$17,000,000 shall be made available for damaged highways or for the prevention of damage to highways in the area affected by eruptions of the Mount Saint Helens volcano.

Sec. 405. Notwithstanding any other provision of title 23, United States Code, or of this Act, the Secretary of Transportation shall approve, upon the request of the State of Indiana, the construction of an interchange to appropriate standards at I-94 and County Line Road at the Porter-La Porte County Line near Michigan City, Indiana, with the Federal share of such construction to be financed out of funds apportioned to the State of Indiana under section 104(b)(5) (A) of title 23, United States Code.

Sec. 406. Notwithstanding any other provision of law, or of this Act, any proposal for deferral of budget authority under section 1013 of the Impoundment Control Act of 1974 (31 U.S.C. 1403) with respect to budget authority for expenses related to the Northeast Corridor Improvement Project authorized under title VII of the Railroad Revitalization and Regulatory Reform Act of 1976 (Public Law 94-210), Acquisition, construction, and improvements, Railroad-highway crossings demonstration projects, Grants to the National Railroad Passenger Corporation, Urban discretionary grants and Interstate transfer grants (highway and transit) shall, upon transmittal to the Congress, be referred to the House and Senate Committees on Appropriations and any amount of budget authority proposed to be deferred therein shall be made available for obligation unless, within a 45-day period which begins on the date of transmittal and which is equivalent to that described in section 10011 (3) and (5) of the Impoundment Control Act of 1974 (31 U.S.C. 1401 (3) and (5)), the Congress has completed action on a bill approving all or part of the proposed deferral.

Mr. ANDREWS. Mr. President, I ask unanimous consent that it be in order to consider amendments 5, 7, 8, 24, 25, 30, 46, 50, 54, 55, 58, 64, 66, 77, 78, 84, 90, 93, 99, 100, 101, 102, 103, and 104 reported en bloc and that it be in order to concur in these amendments of the House to the amendments of the Senate en bloc.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. ANDREWS. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 5, 7, 8, 24, 25, 30, 46, 50, 54, 55, 58, 64, 66, 77, 78, 84, 90, 93, 99, 100, 101, 102, 103, and 104.

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

Mr. ANDREWS. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

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

The motion to lay on the table was agreed to.

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

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. Does the Senator from North Dakota suggest the absence of a quorum?

Mr. ANDREWS. The Senator from North Dakota suggests the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

Mr. PACKWOOD. I object.

The PRESIDING OFFICER. Objection is heard. The clerk will continue to call the roll.

The assistant legislative clerk continued the call of the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded, for the purpose of considering the D'Amato amendment, and that immediately thereafter, the Senator from Oregon be recognized.

Mr. BAKER. Mr. President, reserving the right to object—

The PRESIDING OFFICER. Such a request is not in order. The Senator may request that the order for the quorum call be dispensed with.

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

The PRESIDING OFFICER. Is there objection?

Mr. PACKWOOD. I object.

The PRESIDING OFFICER. Objection is heard.

The clerk will continue to call the roll.

The assistant legislative clerk continued the call of the roll.

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

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

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that there now be a brief period for the transaction of routine morning business, to extend not past 4:30 p.m., in which Senators may speak.

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

TAX RELIEF FOR OIL ROYALTY OWNERS

Mr. METZENBAUM. Mr. President, I have spoken a great deal on the Senate floor about the unfortunate and unnecessary tax giveaways to the major oil companies which were contained in the recently enacted "Economic Recovery Tax Act of 1981"—the tax cut bill.

However, there was a very important category of tax relief contained in the tax cut bill, directed not to the giants of the oil industry, but to the millions of oil royalty owners who rely upon their royalty checks for household income. These small royalty owners need and deserve tax relief from the effects to the windfall profit tax on their royalty income.

The new tax bill, for which I voted in the Senate, makes three important amendments to the windfall profit tax to ease its burden upon the small royalty owner. First, it increases the current \$1,000 tax credit to \$2,500 and extends it through the end of calendar year 1981.

Second, the new law provides a 2-barrel-a-day exemption from the wind-

fall profit tax for oil royalty owners for calendar years 1982, 1983, and 1984.

And third, beginning in calendar year 1985, the next tax law increases the windfall profit tax exemption to 3 barrels a day.

Mr. President, this set of new provisions is a significant and timely step to ease the burdens that the windfall profit tax imposed upon our 2.5 million royalty owners.

The Treasury Department estimates that this legislation will return \$1.2 billion in tax cuts to royalty owners in fiscal year 1982, \$947 million in fiscal year 1983, \$986 million in fiscal year 1984, and more than \$1.1 billion in windfall profit tax cuts in fiscal year 1985.

Mr. President, small royalty owners deserve this tax reduction. A survey by the National Association of Royalty Owners in 15 States indicated that 73 percent of royalty owners were over 61 years of age, 45 percent were on social security, 27 percent were widows, 12 percent were disabled, and nearly 5 percent were in residential health care facilities.

It is simply the case that these small royalty owners were harshly impacted by the windfall profit tax—they average low annual earnings on their royalty incomes, but their tax burden has been very high.

These important tax reductions were distributed over the approximately 2.5 million royalty owners throughout the United States; 80,000 royalty owners live in Ohio.

Mr. President, I have said before that the Economic Recovery Tax Act of 1981 has many questionable tax reduction provisions contained within it, but the exemption for royalty owners is a well-deserved and important section of the act and should not be diminished or tampered with.

It is time that we moved our royalty owners out from under the burden of the windfall profit tax. They deserve the tax reductions guaranteed to them in the tax cut bill.

FOOD STAMP FRAUD IN NORTH CAROLINA

Mr. HELMS. Mr. President, for a number of years, I have sought, with a fair amount of success, to tighten up the food stamp program to eliminate the obvious fraud and abuse in it. At the outset, I was met with hostile condemnation by the national news media which portrayed me as hardhearted, as a Senator who would deprive the truly needy of essential food.

That kind of criticism continues, but it is being muted by truth, Mr. President. Evidence is piling up across the country that the food stamp program may very well be the most corrupted Federal program ever devised, costing the taxpayers untold billions of dollars.

I have at hand a number of news articles which serve as only one example. These articles appeared on November 29 in the Burlington (N.C.) Times-News. An enterprising reporter for that newspaper, Mark Davis, decided to see if he could be successful in establishing a false identity so that he could apply for and

receive food stamps in Alamance County, N.C.

Clearly, the activities in which he was able to engage are all too common, as has been documented before the Committee on Agriculture, Nutrition, and Forestry by numerous witnesses earlier this year.

Additionally, once on the program, the newspaper reporter was successful in negotiating food stamps for beer and other totally ineligible items from several local grocery stores. Stores selling such items are in violation of the Food Stamp Act of 1977.

Abuses from the use of cash change are also cited by Mr. Davis. Change under \$1 from food stamp purchases can be received in cash rather than in credit vouchers as was the case prior to 1979. Some recipients use a \$1 food stamp to purchase gum or candy, using the change received for the purchase of ineligible items such as beer or cigarettes.

The problem of selling food stamps for cash—trafficking—was also demonstrated by Mr. Davis who was able to trade \$110 in food stamps for \$30 in cash in one Burlington store.

Food stamps were used to purchase drugs in an unrelated incident in which the city-county vice squad recovered \$150 in food stamps along with cash in one recent drug bust involving marijuana, cocaine, and LSD.

More than anything else, however, the Burlington reporter's story points up the often-stated weakness of the present food stamp program—the ease with which citizens can apply for and receive food stamps. Minimal verification is required to establish identity, salary, household size, assets, and so forth.

The point, Mr. President, is that none of the reporter's incorrect information regarding occupation, salary, household size, assets, and so forth, was detected by the county's department of social services. Unfortunately, such oversights are common under the present program. Indeed, the reporter was finally caught in his false identity only because the Postal Service did not forward his second month's food stamp allotment from his temporary address to his permanent address.

Alamance County in North Carolina is by no means unique in food stamp fraud.

According to one of the news articles, food stamp specialists in the county estimated that almost one out of every three food stamp recipients uses the coupons fraudulently—or should not be receiving them at all. If these estimates by local food stamp officials are reasonably accurate, the implications involving the amount of fraud in the program nationally are frightening. The estimate, by the way, corroborates the Inspector General's findings earlier this year that in selected local food stamp projects in several Southeastern States which were audited by the OIG, the percentages of recipients who underreported their income ranged from 10 to 40 percent.

Needless to say, Mr. President, tax dollars channeled to fraudulent recipients who understate their income reduces the amount available to those who

are truly in need of assistance. The deserving recipients include the elderly, and others such as the disabled, who are unable to provide for themselves and therefore have little or no income. Those who are able bodied simply should not be allowed into the program in the first place.

Let me add, Mr. President, that Congress has made some improvements in the program this year through the Omnibus Budget Reconciliation Act. Additional remedies are contained in the farm bill which is now pending in the House and thus have not yet been enacted or implemented.

However, even with all of these changes, many of the problems cited by these articles have not been addressed by Congress. The Inspector General of USDA has repeatedly reported that initial verification of applicant information is the most pressing need in the food stamp program in order to thwart recipient fraud. Regardless of the criticism aimed at me, I intend to continue working closely with the Department, the Inspector General, and interested colleagues and citizens to develop solutions to the verification problems which continue to plague the food stamp program. Our committee will be looking into this area considerably next year.

Mr. President, I ask unanimous consent that the articles from the Burlington (N.C.) Daily Times-News be inserted in the RECORD at the conclusion of my remarks.

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

A FIRST-HAND SCAM ENDED WITH "GOTCHA"

A \$400 free lunch is not only possible but comes courtesy of the federal government in the form of food stamps.

Acting on the motivation supplied by numerous stories of waste and fraud in the food stamp program, two Times-News reporters applied for food stamps to see if it was easy to rip off the system.

Their experience shows ripping off the system is easy and that little lies work better than big ones—but you may get caught.

Reporter Mark Davis played the role of a food stamp recipient until Nov. 12, when the person who approved his applications for stamps caught up with him and his bogus story of need.

The story began Oct. 2 when Davis applied for stamps at the Alamance County Department of Social Services, posing as an unemployed cabinet maker who had fallen on hard times and had two children to feed.

Ardith Shoffner, his social worker, believed everything he said and approved his application.

Four days later Davis' stamps—a packet of stamps worth \$183—arrived in the mail for himself and his two nonexistent children.

FALSE ID TRIED

DSS Fraud Investigator Gerald York said lying about employment status and the number of dependents is the most common way to beat the system. Most of those arrested for food-stamp fraud lied about their employment, York says.

Rarer are those who, like reporter Tim Rodriguez, fake their identities to get stamps. Their numbers are fewer and their success rate is not as impressive as those who lie about their jobs.

On Thursday, Oct. 1, Rodriguez, posing as "J. D. Morris" of 426 S. Beaumont Ave., Burlington, applied for stamps. Claiming he was

an itinerant painter and fruit picker (two jobs he has in past years held), Rodriguez said he came from Vero Beach, Fla., with a woman and her two pre-teen children to North Carolina in the hopes of finding gainful employment here.

The only items of identification he had were two letters addressed to Morris and delivered to his home, plus a state-issued employment security card, which he had obtained two days earlier at the local Employment Security Commission office. These less-than-substantial "documents" did not carry too much weight.

Claiming he had only \$400 and no job, Rodriguez was unable to obtain the stamps because his flimsy identification was unacceptable to DSS intake worker Regina Thomas.

He was unable to produce a Social Security number for the fictitious woman who had come with him from Florida. He promised to return the next day with the woman and her Social Security number.

"J. D. Morris" never darkened Thomas' door again. Exit one would-be fraud . . .

SECOND TRY SUCCESSFUL

Davis tried the next day, relying on the adage that the best way to lie is to stick to the truth as closely as possible. In applying for the stamps, Davis used his real name, his real Social Security number and his real address.

Davis told a tale of unemployment and two hungry children to feed. An aging automobile carried him about Alamance County as he looked in vain for a new job, he added. In better times, he had been a cabinet builder for Dacarlo Cabinets Inc., a Raleigh-based firm that had tried unsuccessfully to open an office in Graham, he said.

The application also contained questions about medical expenses, rent and bills; the answers to these were short and truthful. Davis had moved temporarily to a house near Swepsonville and did not know how much most of the bills would be.

In the end, he handed back a form in which only his employment situation, the number of dependents and the name of his landlord had been falsified; the rest was truth.

APPLICATION SCREENED

Mrs. Shoffner, an intake worker whose job is to screen applicants before deciding whether they should receive stamps, interviewed him.

Davis wove a blanket of lies that included two fictitious young children, 4-year-old Jimmy Edward Davis and 2-year-old Lisa Annette Davis.

"I wondered how many others had made up fake families, paper children who existed only in a file," Davis recalled.

"And where is the mother of these children . . .?" Mrs. Shoffner asked.

"Who knows?" Davis answered bitterly. "Their mother left."

Warning to the tale, Davis added that he was ashamed to be applying for the stamps, "but I have to feed those young'uns."

Clearly sympathetic as the young man squirmed uncomfortably in his chair, Mrs. Shoffner assured Davis the stamps only had to be a temporary aid.

"You don't have to use them long," she said, "only until you get a job."

The only sticking point came when she asked for his address. Though he gave her the right address, he told her "Tommy Stone" was his landlord and would vouch that he had just moved to that address.

As Davis left, Mrs. Shoffner assured him there probably would be no trouble with his application and the stamps should arrive in the mail soon. All that was lacking, she said, was a call from Mr. Stone.

That afternoon Rodriguez, pretending to be landlord "Tommy Stone", called Mrs. Shoffner and assured her that the unem-

played cabinet maker and his two children lived at the address.

STAMPS ARRIVED

Four days later on Oct. 6, the stamps arrived in the mail.

He and Rodriguez then used the stamps in an investigation to see what food stamps will buy in Alamance County.

Davis' downfall began developing towards the end of October when he received a letter from Mrs. Shoffner telling him he had to have another interview at DSS Nov. 9 to see if there had been any change in his employment situation. The process is a formality required to determine if a stamp recipient's economic status has changed since he or she began receiving federal aid.

Davis did not visit the office this time; instead, he telephoned. In a brief conversation he told Shoffner his luck had changed. He proudly told her he had secured a job—as a mail-room employee at the Times-News.

Mrs. Shoffner sounded pleased when he said he would start work Dec. 1.

"Well, good," she said. "How much will you be earning?"

When Davis answered he would be making the minimum wage, she suggested that he perhaps should consider remaining on the welfare roll for the sake of his "children." He could receive fewer stamps per month, he said.

"No, I'm going to try it on my own for now," Davis told her. "I can call you back up if I can't do it."

Hanging up the telephone, Davis said he realized the game has rules that are easy to break, guidelines that fail to keep food-stamp customers honest; but that it also has people whose hearts go out to those with the hard-luck stories.

WE CAUGHT YOU

He assumed the game was over—but it was not. Several days later Davis was working on an unrelated story at the Times-News when the telephone rang. It was Mrs. Shoffner.

"Is this Mark Davis?" she asked.

"Yes it is," he answered.

"Mr. Davis, this is Ardith Shoffner, your intake worker," she said. "I've caught you."

Stunned, Davis groped for words for a few seconds before agreeing to see her again at DSS—except this time, he asked the questions.

Mrs. Shoffner, a six-month veteran of DSS, said she began to suspect something was wrong when Davis' second and last food stamp installment was returned. The postal service, according to instructions from DSS, had not forwarded the stamps from his temporary Swepsonville address to his permanent Burlington address.

When she tried to find Davis by contacting the mail room of the Times-News, she recounted, she was told no one named Mark Davis worked there.

Fearing the worst—"I began to think I'd been ripped off"—she contacted the newspaper's business office and was told there was only one Mark Davis at the paper—and he worked in the newsroom, not the mailroom.

Mrs. Shoffner also was told Davis has no children, is not married and has worked at the paper for almost two years.

"That's when I said 'I got you,'" she told Davis.

Mrs. Shoffner admitted she believed Davis' story when he applied a month earlier, and added that the guidelines surrounding food stamp use make it too easy for someone to defraud the system if they are determined.

If Davis had not telephoned Mrs. Shoffner, he probably would not have been caught, the intake worker said. Rather, he would have been placed in an inactive file after efforts to find the young man failed.

According to regulations, a recipient is bound to provide only his or her identifica-

tion, proof of residence, a Social Security number and any income. Davis, though he lied about his income, met all those criteria.

"About anybody can get food stamps—and that's the sad part about it," Mrs. Shoffner said.

As a result, "I feel like I have to be suspicious of anything a client tells me," she said. "But on the other hand, you try not to harass them."

To keep the record straight, as planned, Davis gave the social services department a Times-News check for \$183, the exact amount of the food stamps received.

All of the purchases had been stored. All except those "illegal" items, were given to the local Salvation Army.

FOOD STAMP PROGRAM: ONE IN THREE ABUSE AID, AND VERY FEW ARE CAUGHT

One of every 17 Alamance County residents receives food stamps. The cost in Alamance County is \$3 million a year.

And, according to specialists, almost one of every three food stamp recipients uses the coupons fraudulently or should not be receiving them at all.

Gerald York, the Alamance County Department of Social Services' welfare fraud investigator, estimates \$1 million yearly goes to families that do not deserve the help. "I guess it's the easiest program to rip off," he said.

For every person York nails for fraud, 10 go undetected, he adds. So far this year he has filed fraud charges against 17 persons who are accused of trying to bilk the system for \$11,796.

Thirteen of the 17 were charged with taking food stamps worth \$8,382; the other four were accused of illegally double-dipping, receiving other federal welfare such as Aid to Families with Dependent Children. Eleven of the 13 have been convicted.

INCOME NOT REPORTED

Most often, a fraud case involves a recipient's failure to report income to the social worker, said York.

To apply for stamps, an application must be filed with an intake worker at DSS. The intake worker who reviews an application usually makes no effort to corroborate the claims, said York, adding that workers have too many caseloads to adequately follow up all cases and new applications.

DSS's six workers are responsible for roughly 500 cases each. "We're told not to verify (applicant's claim) unless there's some suspicion, some question," said York.

The government opened new vistas for fraud when it began mailing stamps directly to the home, York said. Before July 1980 a recipient had to pick up the stamps at the post office with an "authorization to purchase" card.

Sometimes the card had a tendency to turn up stolen or lost. To avoid that scam, the government decided to mail stamps directly to homes—and hence, the incidence of thefts from mailboxes skyrocketed.

But many of those "thefts" are not real, York asserts. Some recipients are reporting the stamps "stolen" and using them to buy non-edible items ranging from televisions to tobacco.

Last year DSS replaced \$13,000 in "stolen" stamps, York said.

As part of an anti-fraud package, the Reagan administration vows it will not routinely replace the stolen stamps. Last month, Reagan's man in the Agriculture Department promised the USDA "will only replace them if there is evidence they were lost in a disaster such as a fire."

Nationwide, there are 22 million people receiving food stamps—a total bill of about \$11 billion. Of that amount, the department estimates, as much as \$1 billion a year is lost because of waste, fraud and abuse.

In an attempt to cut down on that waste,

Reagan has proposed issuing special photo identification cards and giving Agriculture Department investigators special police powers—to make arrests and carry a gun. Neither of these proposals would have much effect on Alamance County or the rest of the state, officials agree.

Only people in the larger metropolitan areas would get ID cards. And even while Congress wages a battle over a question of special "welfare police," York complains the government will not give local agencies any fraud-detection training. "The feds should be giving us some training," he said.

As a result, a lucrative market has been born in which stamps are used to do more than fill the kitchen cabinets.

Retailers willing to take stamps for non-edible products usually mark up prices by 100 percent, he said. As a result, a six-pack of beer, for example, costs twice what it would with cash, \$5 worth of gasoline cost \$10 in stamps.

York says most of the illegal trade occurs in what he described as a "network" of recipients who buy and sell stamps in exchange for food, drinks, appliances and hardware. "Most of your buying and selling goes on between your recipients," said York. Nationwide, some food-stamp specialists claim cars, trucks and even guns can be bought with the stamps.

To see how easy it is to make illegal purchases with food stamps, two Times-News reporters went to numerous stores throughout the county with stamps they had received from DSS. What hindered their efforts was their unfamiliarity with the "network" of recipients.

Their findings showed the great majority of storekeepers do abide by the law and food stamp regulations—albeit somewhat grudgingly on occasion. But some did not.

FOOD STAMPS CAN BUY BEER

Want a free beer?

In mid-October two Times-News reporters proved beer can be bought with food stamps, using stamps to buy eight cans of beer.

On Oct. 13, the reporters, working-class young men, traded stamps outright for two beers at a convenience store in Burlington. Three days later they bought beer with stamps at a Graham convenience store.

Their success came easily despite a letter from the U.S. Department of Agriculture being one step ahead of the pair, warning storeowners that both locations of Joe's Shopwell Mini Marts Inc. cannot serve food stamp customers for one year because employees at those stores accepted stamps for non-edible items. Beer, cigarettes, household cleaners and other non-food items had been bought with stamps, the USDA charged.

The two Shopwell locations are the only stores of 139 Alamance County retailers in the food-stamp business caught this year taking coupons for items other than food.

Effective Sept. 19, the two Joe's Shopwell Mini Marts cannot accept food-stamp coupons for a year. U.S. Department of Agriculture officials said Joe L. Wilson, owner of the stores at 1204 Apple St. and 804 S. Mebane St., Burlington, can only accept cash at the stores.

Wilson was caught after undercover agents exchanged food stamps for numerous non-food items at the two stores, the USDA said. Department spokesmen would not say how many agents worked on the case or for how long.

The result was that store owners were on the alert, or, as one proprietary claimed, "They've had people coming around checking on us."

Despite the federal warning, the two reporters went to Rick's Mini Mart at the corner of Ireland and North Church streets on Oct. 13. After selecting pimento cheese, a pack of sliced ham and some frozen biscuits, they

also selected two 16-ounce beers, handing over a \$5 food stamp for the total purchase.

It was an easy purchase. Neither the young woman behind the cash register nor the young man beside her said a word as she rang up the purchase, placed it in a bag and asked them to return.

Three days later they bought a six-pack of premium beer from Robert's Mini Mart at the corner of Walker Avenue and Elm Street in Graham.

It was a Friday night. Attired as before, the reporters tried to purchase Dorito chips and two six-packs of beer.

The tall, bearded man behind the counter recognized them—they were infrequent customers at the small store—and nodded hello. But when they produced the stamps to buy the beer, he said he was not allowed to exchange the coupons for the alcohol.

"I wish I could, but . . ." he said, shrugging and ringing up the purchase of chips.

So they paid for the chips with a \$5 coupon, leaving the two frosty six-packs on the counter. But then he gave them \$3 change in cash—not coupons as required by law.

According to law, any purchase with coupons in which change is handed back to the recipient must be paid back in coupons if the change totals more than \$1. In this circumstance, the proprietor should have given them three \$1 stamps plus coins.

By giving them three \$1 bills plus some silver, he made it possible for them to pick up one six-pack.

"Now you've got it," he said as he rang up the transaction on the cash register.

To see if such a transaction was commonplace, the two immediately went to the King Bee store across from Cannon Mills. Again, they attempted to buy a six-pack, this time adding a can of soup to the purchase.

The young woman refused to sell them the beer, so they bought the soup and left the beer. She handed them four \$1 stamps plus some change as required by law.

MERCHANT MUST FACE TEMPTATION

Refusing food stamps for non-edible items sometimes is hard to resist, said a young man who manages an area convenience store that deals daily with food-stamp customers.

But "Tony" (not his real name) said he does not cheat the system—though other storekeepers do not always share his scruples.

Tony recently agreed to an interview in which he said there are several ways to circumvent the system and get almost anything you want with stamps, if you're determined.

The most common tactics, he said, is to buy a low-priced food item and use the change to buy non-edible items such as beer or cigarettes. According to law, food-stamp customers must receive change back from their purchases in more stamps if that change totals more than \$1. But any change less than \$1 is paid back in coins.

That is how customers feed their vices, Tony said.

"They can do it legal," he said. "They can come up here and buy a piece of 20-cent candy and get a beer or cigarettes with the change."

Tony can do nothing about it. As a licensed food-stamp retailer, Tony is bound to sell edible items to any customer who can produce the stamps and proof the stamps belong to them.

Mothers, fathers, brothers and sisters in a food-stamp family can buy cigarettes and wine and keep cars filled with gas—all of it financed by the federal government.

"They can buy anything," he said.

Tony's assertion proved true when a reporter earlier that month managed to buy gas. Using a \$1 stamp, he bought a 10 cent piece of bubble gum and used the 90 cents change to put gas in his car's tank. Another reporter, also used change to buy an electrical fuse.

Tony admits he has broken the law by accepting coupons not in a book or in numerical sequence. Regulations require store owners to refuse stamps not in books, though Tony said he does not know of any storeowner who abides by that rule.

"Sometimes we take the coupons when they are not in the book, and we're not supposed to," he said.

Other people do not bother buying a low-priced item for change, offering Tony stamps worth double and triple the price of an article. Sometimes, Tony admitted, the offers are tempting.

"I've been tempted, yeah," he admitted. "I've had a guy offer me \$30 worth (of stamps) for a \$10 bill. I don't know if he was going to buy beer with it, or cigarettes or what."

"I've had a few people come in and say, 'Will you take food stamps for beer?' and I say 'No,'" Tony said. A possible \$10,000 fine and revocation of the store's food stamp license keeps him honest, Tony said.

Loss of the food stamp license could cripple his business, he said. About 15 percent of his small store's trade is with food stamps—and some stores rely on stamps even more, he said.

But most customers make a small purchase and do what they want with the change—a practice that still infuriates Tony even after three years of dealing with customers.

"I'm not as nice to them," he said. "It kind of gets under your skin after a while."

"One man that lives nearby, he must come in here two or three times a day," Tony said, "and each time he buys cigarettes" by purchasing a small piece of candy and using the change to pocket a pack of cigarettes. "He must get five or six packs a day; I don't know what he does with them all."

Tony feels federal regulations should be tightened so that gum, candy and other food of questionable nutritional value cannot be purchased with stamps.

"I think they ought to cut out that candy, that junk food," he said. "It wouldn't bother me none if they tighten it up."

"I've had a few friends tell me they go up there (to the Department of Social Services) and lie to get coupons," he snorted. "Hell, I probably could get them myself."

SURPLUS FOOD STAMPS SOLD FOR CASH

The adage—"Think of it as money"—once applied only to credit cards. That adage could be expanded now to include food stamps.

On Nov. 19, the last day of an investigation by two Times-News reporters into alleged food-stamp fraud in Alamance County, a reporter sold \$110 worth of food stamps for \$30 to a storekeeper.

An employee of Judy's Thrift Shop at the corner of James and Mebane streets agreed to the deal, paying \$30 for stamps worth almost four times that much.

The store was the fifth call the reporter—posturing as a food stamp client—made that afternoon as he tried to get rid of the stamps.

At first, the reporter tried to purchase a \$59 .25-caliber pistol at Burlington Pawn Brokers. The store attendant was shown a \$1 coupon; 109 more came with it if he would give the reporter the gun, he was told.

The attendant examined the coupon in silence. He asked the reporter if he had a gun permit. He did not.

The attendant said he needed a permit before any deal could be made. He added that he could not accept the coupons, but he would be glad to accept \$110 in "sirloins . . . if you understand me."

The reporter next tried two grocery stores. One did not handle food stamps. At another an employee suggested, "If you don't need them, take them back where you got them."

At another buy-and-trade store, the owner said he would make no such deal. But he

suggested selling them to a food-stamp recipient because he or she would surely pay \$30 for food stamps worth \$110.

At the Judy's Thrift Shop at 502 James St., a man wearing a light-brown corduroy jacket and white shirt was checking his wide assortment of merchandise against a list when the reporter entered.

Asked if he bought "things," he replied, "We're almost all bought out. What do you have?"

The reporter showed him a \$1 coupon. "I need \$30. I'll give you all 110 of these."

The two went to his desk near the door. The man took a thick wad of bills out of his coat pocket—all \$20 bills. Before he counted out the money, he counted the stamps. Anyone could use them to buy food, the reporter claimed. The stamps came from books E53945310A and E53945309A.

The man removed a \$20 bill, then some loose bills—a \$5 bill and five singles.

"Nice doing business with you," said the reporter. Thirty dollars richer, he left the store.

Chalk up another scam.

MOST FRAUD CHARGES RESULT IN CONVICTIONS

Persons charged with food stamp fraud apparently have an easier time in Alamance County Superior Court than in District Court, according to court observers.

In the past four years Gerald York, fraud investigator for the Alamance County Department of Social Services, has made 75 arrests and gotten 61 convictions.

While most cases stopped at District Court with suspended sentences, a few—usually involving active prison time—were appealed to Superior Court.

An exemplary case was the \$1,500 fraud conviction against Melinda Lee of 825 Ross St., Burlington. On December 1980, she appealed a three-year sentence handed down by District Court Judge J. B. Allen, Jr.

In June, a Superior Court jury found her guilty of the same charges. But the appeal was worth the trouble. Her three-year sentence was reduced to six months by Superior Court Judge D. Marsh McLelland.

Although in prison, Lee's worries are not over, for she faces additional fraud charges. On Nov. 18, Assistant District Attorney Craig Thompson served notice to state prison officials that Lee still needs to be tried on a charge of cheating the federal Aid to Families with Dependent Children program of \$235. She was arrested for that charge in October.

Another sample involved Pearl Massey of 405 Popular Road, Burlington. She was convicted in District Court in September 1980 of defrauding DSS of \$18,695. The food stamp client owned 42 acres in Virginia, investigators learned, and the court ordered her to sell that land as part of her sentence.

Massey carried her case to Superior Court. On March 5, a deal was struck by Assistant District Attorney William Johnson to drop criminal charges in exchange for the sale of the same property already negotiated in District Court. To date the property has not been sold.

County Attorney Dow Spaulding has been in charge of the land sale in Pittsylvania County, Va. Because "it is very hard to determine the boundaries" of the land, there has been a delay in the sale, he said.

Spaulding had no idea when the land would be sold, but said he is convinced the sale will not recover the \$18,695 Massey allegedly stole from taxpayers.

\$28,842 IN FOUR YEARS

Over the past four years, the court has ordered the welfare cheaters to pay back a total of \$28,842. But York figures that plea bargaining in Superior Court has voided collection of at least \$1,000 of that money through dropped charges. Six cases amounting to \$3,018 are still pending.

According to statistics, the 11 food stamp recipients convicted of fraud this year in District Court all received suspended sentences on the condition they pay back social services. Their sentences vary from six months to two years.

The court can bar a defendant from the food stamp program for as long as two years. DSS also can suspend the cheater for six months if the court does not bar the person from the program.

Judge Allen usually takes the hardest line with fraud defendants, but he said it is unusual to hand down an active sentence in a first offense.

"I'm very satisfied with the sentences in District Court," said York. "But I can't say as I approve of all the plea bargaining in Superior Court."

Assistant DA Johnson said he "takes a practical evaluation to all plea bargains." In determining whether to take a reduced plea, Johnson said, he weighs the chances of conviction against the evidence.

York's 81 percent conviction rate is impressive by any law enforcement standards—but it could be better, the investigator says.

"There is a tremendous amount of fraud in the food stamp program," he said. But, he added, "some high-level federal and state officials will not admit that a real problem exists. I suspect that this is due to over-inflated egos and protection of high-paying jobs."

"Our state bases the food stamp fraud rate on the number of convictions obtained by the county agencies," said York. "Many counties have never prosecuted fraud cases and never will unless they are forced to. There are no agencies in this area that are staffed well enough to catch a high percentage of food stamp cheaters."

York also disagrees with claims that only a low percentage of total food-stamp customers cheat the system. Those claims are based on conviction rates—and that is the tip of a large iceberg, he said.

"Basing the fraud rate on the number of convictions is comparable to basing the murder rate in Alamance County on the number of murder convictions," he said.

According to York's assessment of the fraud problem, the county needs at least two investigators. As the lone investigator, York is not only the watchdog of food stamps but also of Aid to Families with Dependent Children and Medicaid programs—programs with a combined money value of about \$6.7 million in Alamance County.

MOST CASES CONVICTED

In four years York has arrested 46 people on AFDC fraud and nine on Medicaid.

Of York's 61 convictions, 38 were the result of failure to report employment and 15 were for giving false information about household members.

Of those convicted during the four-year period, 39 have been black and 22 have been white.

To those who try to run down welfare frauds, a U.S. Supreme Court ruling earlier this month make it no easier. The highest court in the land refused to give state prosecutors the authority to read the files of food stamp recipients in search of welfare cheats. The justices, without comment, left intact a ruling in a Florida case where it was held that such access violates federal law when prosecutors have no reason to suspect cheating by a particular recipient.

ILLEGAL DRUG MARKET MIGHT USE STAMPS

The problem Alamance County's welfare fraud investigator faced four years ago "is larger now or as large as it has ever been."

Just hours after investigator Gerald York made that remark recently, the problem became even larger. The City-County Vice Unit arrested a suspected Burlington drug dealer man who allegedly had taken food stamps in exchange for drugs.

For a long time, vice agents have suspected that food stamps were used in drug trafficking, but the \$150 in food stamps reportedly seized along with large quantities of marijuana, LSD and cocaine marked "the first time we've run across it," said vice Agent James Bowland.

In the Nov. 12 raid at the Brooklyn Street residence of Fred L. Allen, agents reported they discovered in an abandoned car in the back yard a bag containing 1½ pounds of marijuana, a gram of cocaine, 32 tablets of LSD and \$200.

But there was a twist to this seizure: Agents reported they also seized food stamps worth \$150.

Because the food stamps were lumped together with the cash and drugs, vice agents theorized Allen accepted stamps in his alleged drug dealings. Bowland said the stamps probably came from different coupon books since their numbers were not in sequence.

At first vice agents charged Allen with drug and weapon violations, but after talking with York, agents drew up a warrant for accepting federal food stamps "in exchange for controlled substances."

The raid in which Allen was arrested marked the second time this month vice agents had gone to his house with a search warrant. On Nov. 5 agents said they confiscated \$32 in food stamps from Allen's residence but did not uncover any drugs. No charges were preferred against him at that time.

To investigator York, whose arrest record for stamp fraud is the best in the state, the arrest illustrated his claim that a "network" of stamp recipients purchase non-edible goods with the stamps. If that is the case, drugs now can be added to the televisions, alcohol, guns and other non-food items that stamps can procure.

Or, as Bowland said, food stamps for drugs is "a way you can get your pot for free."

WHAT THE STATE NEEDS IS MORE BILL HORNERS

Mr. HELMS. Mr. President, on November 22, Bill Horner of Sanford, N.C., celebrated his 80th birthday. Most of us aspire to reach that milestone, but all of us should aspire also to emulate the kind of life that has made this man one of the most remarkable citizens of North Carolina.

I greatly admire Bill Horner, Mr. President, because he is, and always has been, a "do-er." Throughout his life he has been a tireless and unselfish worker for his State and Nation.

A couple of days after Mr. Horner's birthday, another fine friend of mine, Hoover Adams, of Dunn, wrote an editorial for the Dunn Daily Record, of which Mr. Adams is editor and publisher. Hoover headed his editorial, "What the State Needs Is More Bill Horners." I agree with the headline—as far as it goes, but I would amend it to read that what the Nation needs is more Bill Horners.

Mr. President, I ask unanimous consent that the aforementioned editorial be printed in the RECORD at the conclusion of my remarks.

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

WHAT THE STATE NEEDS IS MORE BILL HORNERS

Our longtime friend, W. E. (Bill) Horner, Sr., publisher of The Sanford Herald, celebrated his 80th birthday on Sunday.

Ordinarily, when anybody celebrates a birthday, even an 80th, that's a private matter for family and friends.

But when a man like Bill Horner reaches such an important milestone, it's a matter of interest and importance to the whole State because Bill Horner has made such a great contribution not only to the people of the Sanford community but far beyond.

Bill Horner has watched (and directed) the growth of his newspaper from a small semi-weekly to become one of the major and most successful dailies in the State.

He has seen Sanford grow from a small community to a bustling city of over 14,000 people, one of the most highly industrialized cities in the State.

The truth is that Bill Horner and his newspaper have been largely responsible for the growth of Sanford and Lee County. Nothing promotes a community like a good newspaper and The Sanford Herald has always been a leader in that aspect.

Bill Horner's political leadership has also meant a lot to the growth and progress of Sanford and Lee County. As highway commissioner, he paved just about everything in Lee County that concrete would stick to.

Horner Boulevard was named in his honor and in recognition of his outstanding services as one of the ablest highway commissioners this State ever had.

As a newspaperman, Bill Horner is one of the best. He has always done an outstanding job and has always published a good newspaper. He's known throughout the industry and is a former president of the North Carolina Press Association.

He has been successful and has made a lot of money. In fact, he has given away to favorite institutions such as Methodist College and Duke Hospital more money than most people ever made in a lifetime.

Bill Horner is a gentleman of the old school whose ideas are as modern as tomorrow. But he still believes in the old-fashioned virtues of honesty, hard work, integrity and honor. He believes people ought to work for a living instead of taking handouts; he makes no apologies for putting his country first and for believing in the work ethic and Christian principles.

To the rest of us in the newspaper business, he has always been an inspiration.

Even at the ripe young age of 80, he hasn't slowed down much. He's at his typewriter nearly every day and if a word is misspelled in his newspaper he knows about it. He also keeps a keen eye on the cash flow.

At his age, and with his money, most people would be inclined to quit. Not Bill Horner. He keeps active not only in his business but as a community leader and in every other way.

Traveling is his hobby and he just recently returned from a tour of Spain. Already, he's planning for future trips to distant parts of the world.

In the meantime, he has all sorts of other projects going, including a major expansion of his newspaper plant.

We extend heartfelt congratulations to fellow publisher Bill Horner on this important milestone of an 80th anniversary.

We've said it before and we say it again: What this country needs is more Bill Horners!

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 Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 3:08 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House agrees to the amendment of the Senate to the amendments of the House to the bill (S. 1003) to amend title III of the Marine Protection, Research, and Sanctuaries Act of 1972, as amended, to authorize appropriations for such title for fiscal years 1982 and 1983.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 4559) making appropriations for Foreign Assistance and related programs for the fiscal year ending September 30, 1982, and for other purposes; agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. LONG of Maryland, Mr. OBEY, Mr. YATES, Mr. McHUGH, Mr. LEHMAN, Mr. WILSON, Mr. DIXON, Mr. GRAY, Mr. WHITTEN, Mr. KEMP, Mr. EDWARDS of Oklahoma, Mr. LIVINGSTON, Mr. LEWIS, Mr. PORTER, and Mr. CONTE as managers of the conference on the part of the House.

The message further announced that the House disagrees to the amendments of the Senate to the bill (H.R. 4955) making appropriations for the Department of Defense for the fiscal year ending September 30, 1982, and for other purposes; agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appointed Mr. ADDABBO, Mr. CHAPPELL, Mr. MURTHA, Mr. DICKS, Mr. WILSON of Texas, Mr. HEFNER, Mr. GINN, Mr. WHITTEN, Mr. EDWARDS of Alabama, Mr. ROBINSON, Mr. McDADE, Mr. YOUNG of Florida, and Mr. CONTE as managers of the conference on the part of the House.

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. 4209) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1982, and for other purposes; it recedes from its disagreement to the amendments of the Senate numbered 15, 20, 31, 53, 56, 57, and 89 to the bill, and agrees thereto; and has receded from its disagreement to the amendments of the Senate numbered 5, 7, 8, 24, 25, 30, 46, 50, 54, 55, 58, 64, 66, 77, 78, 84, 90, 93, 99, 100, 101, 102, 103, and 104 to the bill, and has agreed to thereto, each with an amendment, in which it requests the concurrence of the Senate.

The message further announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 4910. An act to amend the District of Columbia Self-Government and Governmental Reorganization Act and the charter of the District of Columbia with respect to the provisions allowing the District of Columbia to issue general obligation bonds and notes

and revenue bonds, notes, and other obligations; and

H.R. 5139. An act to authorize appropriations for certain insular areas of the United States, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 215. Concurrent resolution expressing the sense of the Congress with respect to the imprisonment and treatment by the Government of the Soviet Union of Alexander Paritsky and his family.

HOUSE BILL REFERRED

The following bill was read twice by unanimous consent, and referred as indicated:

H.R. 5139. An act to authorize appropriations for certain insular areas of the United States, and for other purposes; to the Committee on Energy and Natural Resources.

HOUSE CONCURRENT RESOLUTION PLACED ON CALENDAR

The following bill was read twice by unanimous consent, and placed on the calendar:

H. Con. Res. 215. Concurrent resolution expressing the sense of the Congress with respect to the imprisonment and treatment by the Government of the Soviet Union of Alexander Paritsky and his family.

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-2348. A communication from the Clerk of the United States Court of Claims transmitting, pursuant to law, the court's opinion entering judgment for the plaintiffs in the matter of *The American Indians Residing on the Maricopa-AK Chin Reservation v. The United States*, No. 235; to the Committee on Appropriations.

EC-2349. A Communication from the Principal Deputy Assistant Secretary of Defense for Manpower, Reserve Affairs and Logistics transmitting, pursuant to law, a report concerning Selective Reserve recruiting and retention incentives; to the Committee on Armed Services.

EC-2350. A communication from the Director of the Federal Emergency Management Agency transmitting, pursuant to law, the Stockpile Report for October 1980 to March 1981; to the Committee on Armed Services.

EC-2351. A communication from the Chairman of the National Transportation Safety Board transmitting, pursuant to law, a copy of the Board's letter to the Office of Management and Budget appealing OMB's proposed budget allowance for fiscal year 1983; to the Committee on Commerce, Science, and Transportation.

EC-2352. A communication from the Acting Vice President of Amtrak for Government Affairs transmitting, pursuant to law, notice that Amtrak's report on the ratio of revenue to operating expenses on all basic systems routes will not be ready until February 1, 1982; to the Committee on Commerce, Science, and Transportation.

EC-2353. A communication from the Secretary of Commerce transmitting, pursuant to law, the report of the Inspector General of the Department of Commerce for the period

April 1 to September 30, 1981; to the Committee on Commerce, Science, and Transportation.

EC-2354. A communication from the Secretary of the Federal Energy Regulatory Commission transmitting, pursuant to law, notice of the expiration of a stay relative to paragraph (A-2) of the Commission's Opinion No. 37-A, and a copy of an order issued on November 20, 1981; to the Committee on Energy and Natural Resources.

EC-2355. A communication from the Secretary of the Interior transmitting, pursuant to law, the tenth annual report on the operation of the Colorado River; to the Committee on Energy and Natural Resources.

EC-2356. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Requests for Federal Disaster Assistance Need Better Evaluation"; to the Committee on Environment and Public Works.

EC-2357. A communication from the Chairman of the Nuclear Regulatory Commission transmitting a draft of proposed legislation to help alleviate some of the most significant financial hardships associated with relocating the Commission's resident inspectors to individual nuclear facility sites; to the Committee on Environment and Public Works.

EC-2358. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "GSA's Federal Buildings Fund Fails to Meet Primary Objectives"; to the Committee on Environment and Public Works.

EC-2359. A communication from the Chairman of the Board of Foreign Scholarships transmitting, pursuant to law, its annual report entitled "Fulbright Program Exchanges, 1980"; to the Committee on Foreign Relations.

EC-2360. A communication from the Assistant Secretary of Commerce for Administration transmitting, pursuant to law, a report on a proposed new system of records under the Privacy Act; to the Committee on Governmental Affairs.

EC-2361. A communication from the Secretary of the Panama Canal Commission transmitting, pursuant to law, a report on two new systems of records under the Privacy Act; to the Committee on Governmental Affairs.

EC-2362. A communication from the Assistant Secretary of Commerce for Administration transmitting, pursuant to law, a report on a new system of records under the Privacy Act; to the Committee on Governmental Affairs.

EC-2363. A communication from the Deputy Administrator of the General Services Administration transmitting, pursuant to law, a report on the disposal of surplus Federal real property for historic monument purposes for fiscal year 1981; to the Committee on Governmental Affairs.

EC-2364. A communication from the Deputy Chief of the Army and Air Force Exchange Service transmitting, pursuant to law, a report on the financial condition of the Service's pension plans; to the Committee on Governmental Affairs.

EC-2365. A communication from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, a copy of an Act of the Council, D.C. Act 4-120; to the Committee on Governmental Affairs.

EC-2366. A communication from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, a copy of an Act of the Council, D.C. Act 4-119; to the Committee on Governmental Affairs.

EC-2367. A communication from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, a copy of an Act of the Council, D.C. Act 4-117; to the Committee on Governmental Affairs.

EC-2368. A communication from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, a copy of an Act of the Council, D.C. Act 4-118; to the Committee on Governmental Affairs.

EC-2369. A communication from the Auditor of the District of Columbia transmitting, pursuant to law, a report entitled "University of the District of Columbia President's Discretionary Fund"; to the Committee on Governmental Affairs.

EC-2370. A communication from the Assistant Secretary of the Interior for Indian Affairs transmitting, pursuant to law, a proposed plan for the use and distribution of the Wichita judgment funds; to the Select Committee on Indian Affairs.

EC-2371. A communication from the Chairman of the United States Civil Rights Commission transmitting, pursuant to law, a report on affirmative action; to the Committee on the Judiciary.

EC-2372. A communication from the Assistant Secretary of Education for Civil Rights transmitting, pursuant to law, the annual report on compliance and enforcement activities of the Office for Civil Rights; to the Committee on Labor and Human Resources.

EC-2373. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Regulation of Cancer-Causing Food Additives—Time for a Change?"; to the Committee on Labor and Human Resources.

EC-2374. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Students Receiving Federal Aid are not Making Satisfactory Academic Progress: Tougher Standards are Needed"; to the Committee on Labor and Human Resources.

EC-2375. A communication entitled "Office for Civil Rights Annual Report to Congress", U.S. Department of Education; to the Committee on Labor and Human Resources.

EC-2376. A communication from the Administrator of the Veterans Administration transmitting, pursuant to law, the report on the Exchange of Medical Information program of the Veterans Administration for the fiscal year 1981; to the Committee on Veterans Affairs.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-647. A concurrent resolution adopted by the Legislature of the State of Louisiana, to the Committee on Agriculture, Nutrition, and Forestry.

"HOUSE CONCURRENT RESOLUTION No. 28"

"Whereas, the United States Congress has passed many measures to assist many industries in this country; and

"Whereas, in recent years the automotive and construction industries have been the beneficiaries of several measures which have produced jobs for people in these industries and which have improved the availability of housing and personal transportation; and

"Whereas, the farm industry has been adversely affected by the same economic factors which have burdened the automotive and construction industries; and

"Whereas, these economic factors include high interest rates, high fuel costs, high costs of materials, and low prices for finished products; and

"Whereas, these economic conditions have forced many established farmers out of operation and have made it impossible for young farmers to enter the industry; and

"Whereas, the availability of wholesome, nutritious food is at least as important as the availability of shelter and transportation.

"Therefore, be it resolved by the House of Representatives of the Legislature of Louisiana, the Senate thereof concurring, that the United States Congress is hereby memorialized to take such steps as are necessary to provide economic incentives and assistance to farmers in this country.

"Be it further resolved, that a copy of this Resolution shall be transmitted without delay to the presiding officers of both Houses of the United States Congress and to each member of the Louisiana Congressional Delegation."

POM-648. A resolution adopted by the Military Order of Foreign Wars of the United States, favoring an active Selective Service System; to the Committee on Armed Services.

POM-649. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on Energy and Natural Resources.

"HOUSE CONCURRENT RESOLUTION No. 31"

"Whereas, Congress enacted the Natural Gas Policy Act in 1978 to remedy the natural gas shortages which had occurred in these areas serviced primarily by interstate natural gas pipeline systems; and

"Whereas, the Louisiana industrial community is presently experiencing a 20 percent shortfall in supplies of natural gas; and

"Whereas, the availability of adequate and reliable supplies of natural gas is absolutely essential to the continued viability of Louisiana's main industry, the petrochemical industry, and to the jobs created by those industries; and

"Whereas, a few of the large petrochemical plants are already laying off large numbers of employees due to their inability to obtain adequate supplies of affordable natural gas; and

"Whereas, the intrastate natural gas pipeline system, which had been healthy and expanding prior to the passage of the Natural Gas Policy Act, is now being squeezed between the higher prices at which the interstate systems are able to buy gas and the lower prices at which they are able to sell gas, because of their cushion of older, cheaper gas; and

"Whereas, Louisiana's intrastate pipeline system is in danger of being squeezed out of the market in Louisiana, and their customers in the industrial sector are not able to obtain adequate gas supplies from the interstate systems due to complex and unfair federal regulations that require that most of the gas going into the interstate market be sent to other states and areas; and

"Whereas, the deregulation provisions of the National Gas Policy Act do not go far enough to remedy the problems that are occurring in Louisiana and that partial deregulation will not occur soon enough to prevent the severe market disruptions which are taking place now; and

"Whereas, there are indications that drilling for natural gas is being hampered by continuing price and market controls; and

"Whereas, decontrol will encourage increased drilling and production, thereby increasing the supplies available to all consumers of natural gas in the country; and

"Whereas, measures must be taken to deal with the problems relating to existing contract clauses which may cause sharp increases in natural gas prices if not addressed; and

"Whereas, inaction with regard to deregulation will cause even sharper increases in prices of natural gas if partial deregulation is allowed to proceed as presently anticipated in the National Gas Policy Act.

"Therefore, be it resolved by the House

of Representatives of the Legislature of Louisiana, the Senate thereof concurring, that the President and the Congress of the United States are hereby memorialized to enact amendments to the Natural Gas Policy Act that would immediately remove all legislative and regulatory barriers to accessibility of natural gas by all purchasers, that would decontrol the price of old gas as well as new gas, that would provide for a legislative interpretation of "area-rate" clauses to equate to "market-rate clauses", and that would revise escalator provisions covering maximum lawful prices of all categories of gas to reach market clearing prices.

"Be it further resolved, that Congress should also, as a companion measure amend the Power Plant and Industrial Fuel Use Act to allow for the most efficient use of natural gas as provided in the market place.

"Be it further resolved that a copy of this Resolution be transmitted to the President of the United States and the members of Louisiana's congressional delegation, the Speaker of the United States House of Representatives, and the President of the United States Senate."

POM-650. A resolution adopted by the Episcopal Diocese of Western Massachusetts, relative to the termination of military aid to El Salvador; to the Committee on Foreign Relations.

POM-651. A petition from a citizen of Clearwater, Fla., relative to use of United Nations funds to support the South West Africa People's Organization; to the Committee on Foreign Relations.

POM-652. A resolution adopted by the Ohio Baptist Bible Fellowship of Pastors and Churches, relative to free literature distribution at State fairs; to the Committee on the Judiciary.

POM-653. A petition from the Ethiopian Zion Coptic Church concerning the abolition of the marijuana laws; to the Committee on the Judiciary.

POM-654. A petition from a citizen of Vienna, Va., relating to collection of recoverable funds into the U.S. Treasury; to the Committee on Labor and Human Resources.

POM-655. A resolution adopted by the House of Representatives of the State of Louisiana; to the Committee on Labor and Human Resources.

"HOUSE RESOLUTION No. 6"

"Whereas, there presently exist several programs combined under the name "TRIO" which provide various useful and necessary services to secondary and post secondary students; and

"Whereas, among these services are the following: Upward Bound, Special Services, Educational Talent Search, Educational Opportunity Center, and Training for Special Programs; and

"Whereas, these five programs have been especially recognized as being highly successful in attracting students to college, assisting them in securing the means to enroll in colleges, and retaining them in colleges; and

"Whereas, such successes have been documented in the 32 TRIO programs that currently operate in almost every institution of higher education in Louisiana; and

"Whereas, these programs currently serve more than 9,500 students; and

"Whereas, it appears that the Reagan administration is now suggesting cuts in the funding of these very successful programs; and

"Whereas, such cuts would surely work to the detriment of the students currently benefiting from such programs and could possibly result in the eventual termination of these much needed programs.

"Therefore, be it resolved by the House of Representatives of the Louisiana Legislature

that the House does hereby memorialize the Congress of the United States to continue funding TRIO programs at least at the same level as such programs were funded during the last fiscal year.

"Be it further resolved that a copy of this Resolution shall be transmitted to the chairmen of the Congress' two standing appropriations committees, the Speaker of the U.S. House of Representatives, the President of the U.S. Senate, the secretary of the U.S. Department of Education, the President's chief budget advisor, the President of the United States, and to each of the members of the Louisiana congressional delegation."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S. 267. A bill to amend title 28, United States Code, to provide that the Federal tort claims provisions of that title are the exclusive remedy in medical malpractice actions and proceedings resulting from federally authorized National Guard training activities, and for other purposes (Rept. No. 97-297).

By Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 1402. A bill to establish uniform national standards for the continued regulation, by the several States, of commercial motor vehicle width and length on interstate highways (Rept. No. 97-298).

S. 1879. A bill to amend the Milwaukee Railroad Restructuring Act and the Rock Island Transition and Employee Assistance Act to facilitate the purchase of lines of bankrupt carriers to provide for continued rail service and for other purposes (Rept. No. 97-299).

By Mr. DANFORTH, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute:

S. 1131. A bill to require the Federal Government to pay interest on overdue payments and to take early payment discounts only when payment is timely made, and for other purposes.

By Mr. ROTH, from the Committee on Governmental Affairs:

Special report prepared by the Permanent Subcommittee on Investigations entitled "Witness Security Program" (Rept. No. 97-300).

WITNESS SECURITY PROGRAM

● Mr. ROTH. Mr. President, on behalf of the Senate Committee on Governmental Affairs, I submit a report of its permanent Subcommittee on Investigations entitled "Witness Security Program."

This report reflects the extensive investigation undertaken by the permanent Subcommittee on Investigations last year under the very able chairmanship of Senator SAM NUNN. It analyzes some of the basic problems associated with one of the programs most essential to the overall law enforcement attack on organized crime and narcotics trafficking—the witness security program.

This report makes several recommendations and seeks specific proposals from the Department of Justice on what legislative and administrative changes are necessary to insure that this program is effective. The report stresses that the program must operate in a way which

will truly promote the overall ability of the Federal Government to protect those individuals who, with their own personal safety at stake, are required to provide essential testimony against major criminal offenders.●

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. BENTSEN:

S. 1951. A bill to change the penalties for possession of controlled substances under section 401(b) of the Controlled Substances Act; to the Committee on the Judiciary.

By Mr. ZORINSKY:

S. 1952. A bill to authorize the Commodity Credit Corporation to sell corn or other feed grain acquired through price-support operations to persons for conversion into alcohol for use as fuel; to the Committee on Agriculture, Nutrition, and Forestry.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BENTSEN:

S. 1951. A bill to change the penalties for possession of controlled substances under section 401(b) of the Controlled Substances Act; to the Committee on the Judiciary.

PENALTIES FOR POSSESSION OF CONTROLLED SUBSTANCES

● Mr. BENTSEN. Mr. President, I am introducing today to amend the Controlled Substances Act in order to make it a more effective deterrent to traffickers in nonnarcotic drugs.

I would like to explain why this legislation is necessary and what I am trying to accomplish. As currently written, the Controlled Substances Act lists dangerous substances in five schedules and prescribes trafficking in all of them. The most dangerous ones and the ones that are most subject to abuse are listed in schedules I and II. The act, however, distinguishes between narcotic and nonnarcotic drugs in regard to penalties for dealers. Trafficking in narcotic drugs is punishable by imprisonment for a term of up to 15 years or a fine of up to \$25,000, or both. By way of contrast, the dealer in nonnarcotic drugs, listed in schedules I and II, is subject to a jail term of not more than 5 years or a fine of up to \$15,000 or both.

Mr. President, this historical distinction between narcotic and nonnarcotic substances has lost most of its validity in light of present patterns of abuse. Heroin, for example, is clearly a narcotic; those who deal in it would be liable to severe punishment. But, in recent years we have seen the advent of widespread abuse of substances like LSD, PCP, and speed; none of these is a narcotic.

Many of these dangerous and illicit nonnarcotic drugs are manufactured in domestic clandestine laboratories. The General Accounting Office recently

looked into this matter. Citing statistics from the National Narcotics Intelligence Committee, the GAO concluded that these laboratories produced virtually all of the stimulant methamphetamine (speed), hallucinogens, such as phencyclidine (PCP), and lysergic acid diethylamide (LSD) available in this country. In addition, they churned out substantial quantities of amphetamines and methaqualone. It is also important to understand that a substance like PCP is made entirely from synthetic ingredients, which were previously easy to get. A few years ago, unscrupulous individuals were manufacturing PCP in garages and even in vans, and thousands of lives have been destroyed as a result of their efforts. We went on record in 1978 and enacted legislation requiring registration of purchasers of piperidine, one of the essential ingredients of PCP. This legislation has been helpful in reducing the incidence of PCP abuse. So I think it is important to understand that narcotics are no longer the sole or even the major threat in the area of drug abuse. Nonnarcotic substances pose a menace of equal and potentially greater dimensions.

However, at a time when we have an obvious increasing problem with drug abuse in America and a proliferation of illegal manufacturing centers, the effort to enforce the Controlled Substances Act has been a dismal failure. The GAO study, which I cited earlier, reviewed 68 closed clandestine laboratory cases at 13 Drug Enforcement Administration field offices. These cases involved 153 violators who were convicted in Federal courts for dealing in dangerous drugs.

What happened to these individuals who are the source of much of the illegal mind-destroying substances that found its way to the streets during the 1978-80 period? 44 of them, or 29 percent never went to prison; they were placed on probation, had their sentences suspended, or were simply fined. 56 of them, or 37 percent, received prison sentences of 3 years or less. In other words, Mr. President, even when we catch and convict traffickers under the Controlled Substances Act, two out of three of them either get off scot-free or serve less than 3 years in jail. I think this is an incredible and alarming statistic.

The legislation I am proposing today would eliminate the distinction between the penalties for dealing in narcotic and nonnarcotic substances listed in schedules I and II of the Controlled Substances Act. Dealing in PCP or LSD, for example, would be considered as serious—in terms of potential punishment—as trafficking in heroin.

My legislation would require that all traffickers in dangerous drugs listed under schedules I and II be punished by imprisonment of up to 15 years or a fine of up to \$25,000, or both. Dealing in nonnarcotic substances would no longer be a bargain in terms of potential punishment. Second offenders would be sub-

ject to 30 years in jail or a fine of up to \$50,000, or both. This legislation would also have the effect of increasing the penalty for trafficking in PCP from 10 to 15 years.

Crime, Mr. President, is a major concern of the American people. The importation, manufacture, and distribution of illegal substances creates much of the criminal activity in America these days. It is not enough to decry crime—we can and we must be prepared to do something about it. The legislation I am proposing today certainly will not eliminate the illegal manufacture of dangerous substances, but it will be a step in the right direction.

It will put those persons who traffic in poisons like PCP, LSD, and speed, on notice that once apprehended, they will be liable for more than a slap on the wrist. It will provide an incentive for law enforcement officials to concentrate on putting these clandestine operations out of business. It will help focus attention on the abuse of nonnarcotic substances.

Mr. President, I hope the Senate will move quickly to approve this legislation and I ask unanimous consent that the text of the bill be printed in the RECORD at the conclusion of these remarks.

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

S. 1951

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Controlled Substances Amendments Act of 1981".

SEC. 2. Subsection (b) of section 401 of the Controlled Substances Act (21 U.S.C. 841) is amended by—

(1) striking out the first sentence of subparagraph (A) of paragraph (1) and inserting in lieu thereof the following: "In the case of all controlled substances in Schedule I or II, such person shall be sentenced to a term of imprisonment of not more than 15 years or a fine of not more than \$25,000, or both.";

(2) striking out the first sentence of subparagraph (B) of paragraph (1) and inserting in lieu thereof the following: "In the case of any controlled substance in Schedule III, such person shall be sentenced to a term of imprisonment of not more than 5 years, a fine not more than \$15,000, or both."; and

(3) by striking out paragraph (5) and redesignating paragraph (6) as paragraph (5). ●

By Mr. ZORINSKY:

S. 1952. A bill to authorize the Commodity Credit Corporation to sell corn or other feed grain acquired through price-support operations to persons for conversion into alcohol for use as fuel; to the Committee on Agriculture, Nutrition, and Forestry.

USE OF SURPLUS GRAIN FOR PRODUCTION OF ALCOHOL

Mr. ZORINSKY. Mr. President, I am introducing today a bill to facilitate the use of surplus grain for the production of alcohol.

The Department of Agriculture estimates that only 110 million bushels of

corn will be used in the production of gasoline in the 1982 marketing year ending next October 1.

We ought to look upon our ability to produce such an abundance as one of our greatest assets, an advantage that should be put to constructive use. My State of Nebraska has been a pioneer in the production of alcohol from grain. The State government has established an agricultural products industrial utilization committee (gasohol). Farm organizations have supported the conversion of grain into motor fuel. Likewise, the people of Nebraska and all citizens of the United States recognize the great potential grain provides in our efforts to obtain energy self-sufficiency, particularly in motor fuel.

The production of alcohol from a renewable resource would lessen our dependence upon foreign sources in the satisfaction of our energy needs and would improve the balance of payments.

According to USDA, we have a grain abundance near record levels in the carryover of corn. Excluding this year's harvest, beginning corn stocks as of October 1, 1981, total 1,034 billion bushels. If one adds to this amount 8,097 billion bushels expected from the 1981 corn production—the November forecast—and 1 million bushels in imports, we have an estimated carry-in supply of 9,132 billion bushels of corn.

Utilization of corn for feed from the 1981 crop is projected at 4,250 billion bushels. Moreover, USDA estimates 800 million bushels for food, seed, and industrial use. Exports are expected to be 2,450 billion bushels and total domestic use is forecast to be 7,500 billion bushels.

If one subtracts 7,500 billion bushels of utilization from 9,132 billion bushels of carry-in stocks, ending stocks will amount to 1,632 billion bushels at the end of the 1981-82 marketing year, unless we employ American ingenuity and imagination. In analyzing these ending stocks, USDA finds that 237 million bushels will be owned by the Commodity Credit Corporation, 650 million bushels are estimated to be held in the farmer-owned reserve, and the remainder will end up as free stocks. These ending stocks will not only be expensive to store, they will also be depressive to market prices.

Market prices for the grains are already reacting to the forecasts of building surpluses. Since January of this year, the average market price for corn has declined 86 cents per bushel, from \$3.19 to \$2.33 per bushel. The average market price for milo declined from the January level of \$5.48 per hundredweight to \$3.96 per hundredweight, a drop of \$1.52 per hundredweight.

Greater corn and milo utilization would help strengthen market prices while at the same time Government costs for farm and commercial storage of grain could be substantially reduced.

According to USDA, for example, the average per bushel cost of storing grain owned by the Commodity Credit Corporation is 29.15 cents.

The minimal storage cost for the 237 million bushels of corn already owned by

CCC at the end of November is \$69 million. Any additional corn channeled into CCC ownership would simply increase this cost.

The size and number of facilities to convert corn to alcohol would, of course, determine the amount of grain that could be utilized. I believe, however, that an effort should be made now to increase grain used for alcohol production. Moreover, we should encourage private investment in alcohol production facilities.

My bill would provide that corn would be available for sale if used in the production of alcohol at the fuel conversion price as determined by the Secretary of Agriculture. The bill specifically provides that "the Secretary of Agriculture shall establish the price for corn sold under this act at such level as he determines will permit and encourage the purchase of such grain for conversion into alcohol for use as a fuel either by itself or in combination with another product and will permit such fuel to be competitive in price with petroleum-based fuels, taking into consideration the energy value of corn or other feed grain, the value of byproducts recoverable from corn, and, when applicable, the differences in octane rating, Federal and State tax incentives applicable to alcohol used for fuel, and such other factors and values as the Secretary considers appropriate."

The bill provides that, notwithstanding the provisions of existing law on the release price of CCC-owned grain, the Secretary would sell grain for the production of alcohol at an economically feasible level.

It is obvious that the fuel conversion price would vary, depending upon changes in the costs of production of both gasoline from crude oil and alcohol from grain. Therefore, the bill provides flexibility in determining an economically feasible price.

If this bill becomes law, our Nation will enjoy many benefits: First, greater self-sufficiency in the satisfaction of our energy needs, particularly motor fuel; second, a reduction in Government costs in the storage of grain; third, an improvement in the balance of payments; and fourth, a marketing opportunity for farmers that will hopefully result in profits from the sale of corn.

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

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

S. 1952

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding any other provision of law, the Commodity Credit Corporation may sell corn and other feed grain acquired by it through price support operations to any person, upon application, for the conversion of such grain by such person into alcohol for use as a fuel either by itself or in combination with some other product to include gasohol.

(b) The Commodity Credit Corporation shall sell such grain under the authority of this Act at such price as the Secretary of Agriculture shall establish pursuant to sub-

section (d) and on such other terms and conditions as the Secretary shall prescribe by regulations.

(c) The Secretary of Agriculture shall establish such safeguards as he considers necessary to assure that grain sold under the authority of this Act to any person is used by such person only for conversion into a fuel.

(d) The Secretary of Agriculture shall establish the price for grain under this act at such level as he determines will permit and encourage the purchase of such grain for conversion into alcohol for use as a fuel either by itself or in combination with another product and will permit such fuel to be competitive in price with petroleum-based fuels, taking into consideration the energy value of corn or other feed grain, the value of byproducts recoverable from the grain, and, when applicable, the differences in octane rating, Federal and State tax incentives applicable to alcohol used for fuel, and such other factors and values as the Secretary considers appropriate.

ADDITIONAL COSPONSORS

S. 1215

At the request of Mr. PROXMIER, the Senator from Arkansas (Mr. PRYOR) was added as a cosponsor of S. 1215, a bill to clarify the circumstances under which territorial provisions in licenses to distribute and sell trademarked malt beverage products are lawful under the antitrust laws.

S. 1879

At the request of Mrs. KASSEBAUM, the Senator from Nevada (Mr. CANNON) was added as a cosponsor of S. 1879, a bill to amend the Milwaukee Railroad Reconstructing Act and the Rock Island Transition and Employee Assistance Act to facilitate the purchase of lines of bankrupt carriers to provide for continued rail and for other purposes.

SENATE JOINT RESOLUTION 117

At the request of Mr. BOREN, the Senator from Georgia (Mr. NUNN), the Senator from South Carolina (Mr. THURMOND), the Senator from Missouri (Mr. DANFORTH), and the Senator from Oklahoma (Mr. NICKLES) were added as cosponsors of Senate Joint Resolution 117, a joint resolution to authorize and request the President to designate the week of January 17, 1982, through January 23, 1982, as "National Jaycee Week."

SENATE JOINT RESOLUTION 118

At the request of Mr. BENTSEN, the Senator from Hawaii (Mr. INOUE) was added as a cosponsor of Senate Joint Resolution 118, a joint resolution to authorize and request the President to designate the month of January 1982, as "National Cerebral Palsy Month."

SENATE JOINT RESOLUTION 133

At the request of Mr. DECONCINI, the Senator from California (Mr. CRANSTON) was added as a cosponsor of Senate Joint Resolution 133, a joint resolution to authorize and request the President to designate August 14, 1982, as "National Navajo Code Talkers Day."

SENATE CONCURRENT RESOLUTION 53

At the request of Mr. BOSCHWITZ, the Senator from New York (Mr. MOYNIHAN) was added as a cosponsor of Senate Concurrent Resolution 53, a concurrent resolution expressing the sense

of the Congress with respect to the policies of the Government of the Soviet Union of anti-Semitism and discrimination against Jewish immigration.

SENATE RESOLUTION 257

At the request of Mr. MATTINGLY, the Senator from South Dakota (Mr. ABDNOR) was added as a cosponsor of Senate Resolution 257, a resolution to express the sense of the Senate that the Secretary of Agriculture should continue Department policy in deferring the repayment of, and foreclosure proceedings on, certain outstanding loans made by the Farmers Home Administration.

AMENDMENTS SUBMITTED FOR PRINTING

TREASURY, POST OFFICE APPROPRIATION, 1982

AMENDMENT NO. 1241

(Ordered to be printed.)

Mr. D'AMATO proposed an amendment to the bill (H.R. 4121) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain Independent Agencies for the fiscal year ending September 30, 1982, and for other purposes.

NOTICE OF HEARINGS

SUBCOMMITTEE ON CONSUMER AFFAIRS

Mr. CHAFEE. Mr. President, I would like to announce that the Consumer Affairs Subcommittee will hold a hearing on the issue of delayed funds availability.

The hearing will take place on Wednesday February 24, 1982, beginning at 9:30 a.m., in room 5302 of the Dirksen Senate Office Building.

The subcommittee will examine financial practices with regard to restrictions on customers' abilities to withdraw funds represented by checks deposited into their accounts. This will include an examination of the extent of such restrictions, their relation to the institution's check collection experience, and the extent to which such practices are communicated to consumers.

For further information, you may wish to contact Annette Fribourg at 224-2921. Those wishing to testify or who wish to submit a written statement for the hearing record should write to the Senate Committee on Banking, Housing and Urban Affairs, 5300 Dirksen Senate Office Building, Washington, D.C. 20510.

Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of public hearings before the Consumer Affairs Subcommittee of the Senate Committee on Banking, Housing and Urban Affairs.

The hearings will take place on Wednesday, March 3, 1982 beginning at 9:30 a.m., in room 5302 of the Dirksen Senate Office Building. Testimony will be received regarding the extent of the Federal Government's involvement in the operation of the Nation's payment systems.

Over the past decade, the Federal Re-

serve System has played a major role in the development of electronic funds transfer (EFT) industry, operating all but one of the Nation's automated clearinghouses (ACH's) as well as the Fedwire transfer network. In 1978, the Federal Reserve established a nationwide linking of the individual automated clearinghouses. The Federal Reserve is currently in the process of procuring a new and sophisticated nationwide telecommunications network to be known as FRCS-80 (Federal Reserve Communications System for the 1980's).

Growing concern has been expressed about the Federal Government's increasing operational, as opposed to regulatory, role in the EFT marketplace. The subcommittee will examine the impact of the Federal Reserve service offerings on private sector service providers, depository institutions, and commercial and private consumers. The committee will also explore the costs of the systems being acquired as well as the other costs of providing each of its payments services, and how the explicit pricing of services required by the act will affect the marketplace.

For further information regarding the hearings, you may wish to contact Annette Fribourg at 224-2921.

Those wishing to submit a written statement for the record should write to the Committee on Banking, Housing and Urban Affairs, room 5300, Dirksen Senate Office Building, Washington, D.C. 20510.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. BAKER. Mr. President, I ask unanimous consent that the Judiciary Committee be authorized to hold a full committee hearing during the session of the Senate at 2 p.m. on Monday, December 14, to discuss the nomination of Stanley Harris to be U.S. Attorney for the District of Columbia.

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

ADDITIONAL STATEMENTS

PAKISTAN

Mr. GLENN. Mr. President, on November 19, the Foreign Relations Committee filed report No. 97-276 to accompany Senate Concurrent Resolution 48, a resolution of disapproval of the proposed sale to Pakistan of F-16 aircraft. The committee voted 10 to 7 to report the resolution unfavorably and I joined the committee majority in opposing the resolution. However, the report as filed does not adequately reflect my views concerning the sale of the F-16's, particularly with respect to the implications for our nonproliferation policy, indeed, on this issue I am more in sympathy with the views of the minority. Unfortunately, for various reasons, I did not file additional views to be included with the report. I should therefore like to take this opportunity to explain my position regarding the Pakistani situation and have

this statement serve as my additional views to report No. 97-276.

Mr. President, I am in favor of assisting Pakistan in meeting its national security needs. That does not mean, however, that even under the best of circumstances I can be totally sanguine about the results which may be obtained through the present sale of F-16 aircraft. Although President Zia has been in his position for 4 years, which is a lot longer than many people would have predicted when he first came in, there are significant elements of instability in Pakistan—and that should give us pause. We have gone down that road in the past a number of times.

The last example was disastrous, not only for us, but for many others as well, including the people of Iran. There are other considerations which need to be taken into account in considering this sale. The ostensible purpose is to provide Pakistan with the ability to withstand Soviet, or Soviet-backed aggression. But what is the Pakistani view of their security situation? In a speech by Foreign Minister Agha Shahi given on June 30, 1981 he says:

There should be no constraint on the pursuit of an independent foreign policy as we have been pursuing in the past. Whether in regard to Jerusalem or Palestine or support to the Iranian revolution or wanting to bring out a transformation of the whole Persian Gulf region into a nonaligned area free of the military presence of the super-powers, free of the presence of the American rapid deployment force and withdrawal of Soviet forces from Afghanistan.

Mr. Shahi continued:

We have espoused the cause of Palestinians for 35 years. We stand for the liberation of Jerusalem, we support the Islamic Revolution of Iran. We are totally against military super-power presence in the Gulf.

Mr. Shahi also stated:

The Soviet Union has assured that we pose no danger to you. We have to take the Soviet Union at her word. Again here, if I were speaking to you off the record, I could tell you something more, but I shall have to confine myself on this issue by saying that an attack by a super-power on another country in the region will not remain confined to the aggressor and the victim . . . and therefore this fear in your mind about the danger of an attack by the Soviet Union should be allayed. And the Soviets have categorically assured us, and this has been stated by President Brezhnev a number of times that we should not take into account this possibility. Any other attack, well this is precisely the reason why we want to get the arms quickly. We should be able to defend ourselves against an attack from any quarter.

Finally, Mr. Shahi states in his speech:

We will pursue, in spite of this agreement, normalization with India, but on the basis of sovereignty, equality, we will never accept the Indian hegemony or its predominant position.

Mr. President, these statements suggest to me that the Pakistanis are at least concerned about their security, vis-a-vis India, as they are vis-a-vis the Soviet Union. Indeed, I have looked into the deployment of Pakistani military manpower and equipment and I can tell you that since the Soviet invasion of Afghanistan, there has been very little movement of troops and material toward

the border with Afghanistan. Two-thirds of the Pakistani Army, and its associated equipment are arrayed on or near the Pakistani-Indian border. The Indians are naturally upset at the prospect of a large-scale arms shipment to Pakistan, including the delivery of F-16's, which at some future date could have the capability of being nuclear weapons carriers. I am tempted to say to the Indians that their own billion dollar deal with the Soviet Union for arms as well as their own nuclear program has not exactly been designed to inspire confidence on the part of their neighbors. On the other hand, we must be realistic about what the impact of an arms shipment to Pakistan might be.

If the result is to spark an arms race on the South Asian subcontinent we will have contributed to insecurity and instability rather than the converse. Moreover, there has been significant comment among high-level Indian leaders that a continuation of the Pakistani nuclear program toward a nuclear weapons capability will drive the Indian program still further in the same direction.

For that reason, Mr. President, it is important that we keep close tabs on the political consequences of this sale and the associated arms and economic aid package, that we take an evenhanded view of our relationships with the Indians and Pakistanis, that we not build up the security of one side at the expense of the other and that we not find ourselves in another Iran-type situation somewhere down the road. For that reason, I believe it is important to examine this program year by year to note what our long-term intent is but not to make commitments that will put us in a situation from which we will find ourselves unable to extricate ourselves later on.

One of the major concerns I have about our involvement in the south Asian subcontinent is that we not push our non-proliferation concerns into the background as a result of dealing with the Soviet threat in that area.

And let me say, Mr. President, that my concerns about the nuclear situation in Pakistan are rising, not subsiding, as time goes by. I would like to review the nuclear situation in Pakistan so that the basis for concerns in this area are clear.

PAKISTAN'S NUCLEAR PROGRAM

It is important to recognize at the outset that Pakistan has no nuclear power program to speak of. It has a 5-megawatt research reactor located at Pinestech, the Pakistani Institute of Technology, and a 137-megawatt nuclear powerplant called Kanupp located near Karachi. These plants are under safeguards, although there have been serious problems over a period of time with the application of safeguards at the larger plant. I will say more about that later. Despite their miniscule program the Pakistanis have worked very hard to obtain advanced nuclear technology and equipment—technology and equipment that would be most useful in obtaining weapons-usable materials for use in a nuclear explosion. For example, in 1961 Pakistan entered into an agreement with Belgo-Nucleaire to set up a hot-cell reprocessing unit at Pinestech. Pakistan has also set up a pilot

plant for uranium enrichment. Larger scale enrichment and reprocessing facilities are under construction. The reprocessing facility will be capable of producing 10-20 kilograms of plutonium annually—approximately 5-10 kilograms of plutonium is enough for a Nagasaki-type bomb.

In 1975 Pakistan signed a contract with France for a commercial-scale reprocessing facility that would have had the capacity to produce tons of plutonium per year. As a result of American intervention, the deal did not go through entirely, although the technology in the form of blueprints was transferred by the French. But it is in the area of Pakistani activities in building enrichment capacity that is perhaps the most disturbing story of all. A Pakistani national, Dr. A. Q. Khan, managed to obtain a position in 1974 with the European consortium called URENCO that constructs and operates gas centrifuge enrichment facilities. The consortium consists of Britain, Holland, and Germany, and Khan worked for the main contractor located in the Netherlands.

Over a 3-year period Dr. Khan was able to procure probably all the important information and documents, including blueprints of the URENCO gas centrifuge enrichment plant. He also procured the list of subcontractors in Europe who could provide the required equipment and materials. Through a series of dummy corporations and with the active assistance of Western nuclear business firms who were more concerned about money than about nuclear weapons, Pakistan was able to procure much of the items on its shopping list. It was not until 1978 when questions were raised in the British Parliament about the supply of inverters by Emerson Electric that intelligence agencies throughout the world were alerted to the fact that Pakistan was engaged in a worldwide effort to obtain nuclear enrichment equipment and technology that would give it a substantial weapons-making capability.

Among the materials which the Pakistanis have managed to acquire are 6,500 tubes of a special hard-type steel used for gas centrifuges obtained from a firm in Holland; vacuum valves to regulate streams of uranium hexafluoride gas into and out of the centrifuge system from a company in Switzerland; inverters from companies in Great Britain, West Germany, and the United States; electronic equipment used for centrifuges from firms in the United States by way of Canada and Turkey; a gas-feed system for the centrifuge from Kora Engineering of Switzerland; a metal finishing plant from Great Britain; rotors from Holland; rotor parts from West Germany; measuring equipment from Holland; aluminum parts from West Germany; vacuum equipment from West Germany; vessels and tanks for the reprocessing plant from an Italian company; precision equipment for the reprocessing plant from Switzerland.

And most recently, on October 31, of this year, during the time when Congress was debating the issue of aid to Pakistan, the U.S. Government seized a shipment

of 5,000 pounds of zirconium metal—a metal that is used for nuclear fuel rods and other nuclear applications—that was bound for Pakistan via Pakistani Airlines. The shipment of metal came from the West Coast, all the way across the United States, and was checked in the baggage room of the airline as mountaineering equipment. Thus, even while we have been debating the issue of aid for Pakistan, Pakistan's clandestine, illegal activities to build their nuclear facilities goes on.

According to press reports, the materials which Pakistan has imported for uranium enrichment could build a plant large enough to produce sufficient enriched uranium for six weapons per year. Further, according to an Associated Press report by Barry Schweid, a secret State Department cable was sent in June of this year to the American Embassy in Ankara that declared, "We have strong reason to believe that Pakistan is seeking to develop a nuclear explosives capability," and that a "covert purchasing organization" of Turkish companies known to the American, Turkish, and Pakistani Governments, was purchasing American-made electrical equipment and diverting it to Pakistan's nuclear weapons program. The cable which Mr. Schweid had gotten hold of also said:

That Pakistan is conducting a program for the design and development of a triggering package for nuclear explosive devices.

To put the icing on the cake, Mr. Agha Shahi, Foreign Minister of Pakistan, in his speech of June 30, 1981, in a seminar on Pakistan's foreign policy, organized by the council of Pakistani newspaper editors, declared:

We told Buckley that our program is only for peaceful purposes . . . and we are fully aware of the concern of the United States over our atomic energy program which we think to be baseless, unwarranted, unjustified. But we understand and we have taken note of this concern. So if we decide to carry out an explosion then we would be prepared to forego this (U.S. aid) program. That is a matter for our judgment, but we have given no undertaking to Mr. Buckley about explosions.

Finally, Mr. President, we have most recently received news of an ominous development in Pakistan regarding the safeguards situation at the Kanupp reactor. In essence, the Director-General of the IAEA has told the Board of Governors of that organization that it will no longer be possible for the IAEA to give assurances that diversions are not occurring within countries containing on-load, continuously fueled reactors with other facilities that are not under safeguards. Both Pakistan and India fall under this category. Indeed, as Senator CRANSTON has pointed out, there is some concern that a diversion may even have occurred in Pakistan, although the evidence to date is not definitive.

It is of interest, Mr. President, to consider what the response of Pakistan has been to the Director-General's report. It is my understanding that at the conclusion of the report, the Pakistani representative to the Board of Governors of the IAEA stated that it was a violation of Pakistan's sovereignty for the IAEA to suggest an upgrading of safeguards and

that Pakistan would not agree to any additional safeguards beyond those which were negotiated in 1971, years before Pakistan built its present unguarded fuel fabrication plant, and before it engaged in its worldwide clandestine activities in obtaining the materials for constructing a nuclear enrichment and nuclear reprocessing plant.

Mr. President, on October 21, by a vote of 51 to 45, the U.S. Senate went on record as requiring a cutoff of economic and military assistance to Pakistan or to India if those nations explode a nuclear device. The House-Senate conference has yet to act on that measure, so the final outcome is uncertain. It is important to recognize that my amendment does not apply to the cash sales for F-16's. It is therefore important to understand what the administration's position is on the question of continued assistance to Pakistan whether by military sales or by economic and military aid if the Pakistanis explode a nuclear device. In a hearing before the Foreign Relations Committee on November 12, I asked Secretary Buckley what the policy of the administration is at this point if the Pakistanis explode such a device—will we cut off assistance? Secretary Buckley replied:

We have left, I think, no doubt in the mind of the Pakistani leadership what those consequences would be. I don't believe anyone in Pakistan expects that assistance would continue in the aftermath of an explosion.

When I repeated the question in the context of the F-16 sale, Mr. Buckley's reply was:

I cannot see drawing lines between the impact in the case of a direct sale versus a guaranteed sale.

Well, Mr. President, Mr. Buckley essentially has said that the Pakistanis would be surprised if the United States were to continue assistance or continue the cash sales of F-16's in the event of a Pakistani nuclear explosion. Frankly, I see no reason why we cannot be unequivocal about it and declare here and now that there will be no further forthcoming cash sales or aid to the Pakistanis if they indeed go ahead and explode a nuclear device and thereby start a nuclear arms race in the south Asian subcontinent. The bomb lobby in New Delhi is certainly paying close attention to this issue. In an article in the Sunday review of the Times of India dated April 26, 1981 Mr. K. Subrahmanyam, director of the institute for defense studies and analyses in New Delhi, suggests that the making of the bomb is the only appropriate Indian answer to the Pakistani nuclear program. He quotes Prime Minister Gandhi speaking before the Lok Sabha as saying that Pakistan's development of nuclear weapons will have grave and irreversible consequences for the subcontinent and India will respond in an appropriate manner to any such development.

Mr. President, I do not believe we should view the approval of sales of F-16's or of economic or military assistance to Pakistan as being a gesture of the United States, independent of any quid-pro-quo from the Pakistanis as far as their nuclear policy is concerned. It is for that reason that I introduced an amendment to the Foreign Assistance

Act requiring the President to send up each year, a classified report detailing Pakistan's nuclear related activities and the status of safeguards on their nuclear facilities.

I hope this amendment is adopted by the Senate-House conference on the foreign assistance bill as well so that it can be put into law. I believe Mr. President, that Congress should look very carefully at that report next year and in future years so that we can understand whether the sales of F-16's and the economic and military assistance package are having an effect on Pakistani policies that can have a direct bearing on U.S. national security.

I believe Congress should take the first step and approve the sales and the economic and military assistance package and put the ball squarely in President Zia's lap and challenge him to act responsibly, not only for the sake of his own people, but for the sake of the international community.

I submit for the RECORD two articles relating to reactor metal attempted shipment to Pakistan.

The articles follow:

[From the New York Times, Nov. 20, 1981]

U.S. STUDYING FOILED BID TO EXPORT A KEY REACTOR METAL TO PAKISTAN

(By Leslie Maitland)

Federal authorities are investigating a shipment of a key metal used in the construction of nuclear reactors that was seized as it was about to be loaded on a passenger flight from Kennedy International Airport to Pakistan.

The United States prohibits the shipment of the metal, zirconium, to foreign countries without a license because of its potential use in reactors. There has been growing international speculation that Pakistan is secretly attempting to develop nuclear weaponry.

The shipment under investigation was seized Oct. 31. It did not have the necessary export license from the Commerce Department, and the exporter, Albert A. Goldberg of the National Tronics Company of Manhattan, never applied for one. Had he applied, the request would have been rejected because Pakistan is ineligible to receive imports of zirconium from the United States, according to Sharon R. Connelly, who heads the compliance division of the Commerce Department's Office of Export Administration.

The Commerce Department, the Customs Service and the office of Edward R. Korman, the United States Attorney for the Eastern District of New York, are examining the roles of Mr. Goldberg and the purchaser, identified by Mr. Goldberg as a retired Pakistani Army colonel and a close friend of President Mohammad Zia ul-Haq.

The authorities are attempting to determine whether the case should be presented to a Federal grand jury or whether to leave the matter with the Commerce Department, which, after a hearing, can impose civil sanctions, including fines and a revocation of export rights.

Mr. Goldberg, who has been questioned under oath by Commerce Department officials, said the metal had been purchased by the Government of Pakistan through a trading company headed by Dr. Sarfraz Mir, the retired Pakistani Army officer. In an interview, Mr. Goldberg said he had not applied for a license for the zirconium—5,000 pounds valued at \$153,000—because he was unaware that it was a controlled commodity. He also said he had done business with the Pakistani Government before, shipping electrical ca-

pacitors for which he had obtained the necessary licenses.

Mr. Golberg, according to the Commerce Department, had been penalized twice before for improperly exporting regulated commodities. In an order signed in 1976, the Commerce Department revoked for three years his right to export controlled commodities.

After the zirconium was seized, Mr. Goldberg said, Federal marshals with a search warrant raided his office at 134 West 32d Street and confiscated his financial records.

Dr. Mir of S. J. Enterprises, the Pakistani trading company has not been located. After the zirconium was discovered at the airport, where it was reportedly checked as baggage and labeled as mountain-climbing equipment, customs agents who had Dr. Mir's photograph unsuccessfully search the Pakistan Airlines plane for him, officials said. He is now believed to have left this country. A call to his home in Islamabad was not returned.

Investigators familiar with the case also said that agents of the airline were questioned because the cargo had been checked as baggage. Mr. Goldberg said that the material was supposed to have been shipped as freight.

Saleem Nisar, assistant general manager of the airline for the Americas, said he would check into the matter, but he otherwise declined comment. He confirmed, however, that his Government was the principal owner of Pakistan Airlines.

ADMINISTRATION SEEKS WAIVER

The Reagan Administration has urged Congress to waive a law that bars aid to Pakistan because of its unmonitored nuclear program. The waiver is needed to move ahead on a planned \$3.2 billion military and economic aid program.

James L. Buckley, Under Secretary of State for Security Assistance, Science and Technology, has said that President Zia had assured him that Pakistan would not develop nuclear weapons, but had refused to rule out developing the potential to explode a peaceful nuclear device.

The 5,000-pound shipment of zirconium seized by customs agents is not in itself enough for a reactor, which normally calls for about 50,000 pounds of the metal, according to the Nuclear Regulatory Commission.

Dr. Charles Till, associate director for reactor research and development at the Argonne National Laboratory, located near Chicago, explained that zirconium was used in reactors to make the tubes that hold uranium fuel.

James Barrett, a spokesman for Teledyne Wah Chang, which manufactured the zirconium shipped by Mr. Goldberg at its Albany, Ore., plant, said the light metal was also used in aircraft and submarines, among other things. However, James Benham, a lawyer for the company, declined to comment on reports that Teledyne had alerted the Commerce Department to the Pakistani purchase.

Compliance division agents under Mrs. Connelly had kept the cargo under surveillance during its trip from Oregon to Kennedy Airport, where they had customs agents seize it.

William von Raab, Commissioner of Customs, this month announced the start of an intensive program, Operation Exodus, designed to stem the illegal export of critical technology from the United States. Teams of customs agents, inspectors and patrol officers are being specially trained to focus on the problem, he said.

[From the Washington Post, Nov. 21, 1981]

U.S. PENALIZES TWO WHO TRIED TO SHIP METAL TO PAKISTAN

Three weeks after seizing a Pakistan-bound shipment of zirconium, a metal used

in construction of nuclear reactors, the government has lifted the export privileges of two men it says were involved with the shipment.

The 5,000-pound shipment, valued at about \$153,000, was seized by U.S. Customs agents late last month at Kennedy airport in New York, according to a Commerce Department statement issued yesterday.

The statement quoted government hearing commissioner Thomas Hoya as saying that the two men tried to export the metal "without obtaining export authorization."

One of the men, Albert A. Goldberg, president of National-Tronics Co. of New York City, was quoted in yesterday's New York Times as saying he did not apply for special authorization because he did not know he was dealing with a controlled commodity.

Also denied all U.S. export privileges, according to the Commerce Department statement was Sarfraz A. Mir, managing director of S. J. Enterprises of Islamabad, Pakistan.

The order not only denies the men and their companies direct export privileges, but it also prohibits other firms from dealing in any export transactions with them without Commerce Department authorization, the statement said.

The United States prohibits zirconium shipments to foreign countries without a license because of the metal's potential use in nuclear reactors.

Shipments to Pakistan are particularly sensitive in light of persistent reports that that nation's leaders are trying to develop nuclear weapons.

Pakistan has not signed the international nuclear nonproliferation treaty, and therefore a license for exporting zirconium to that nation would not have been granted, a Commerce Department spokesman said.

State Department spokesman Dean Fischer said that "a central element of this administration's nonproliferation policy is the application of effective controls on the export of nuclear materials."

He said the Commerce and Customs actions "mark an important success in the implementation of this policy."

U.S. officials have talked with officials of Pakistan about the recent case and "expressed our concern about the apparent violation of U.S. laws," Fischer said. ●

UNEMPLOYMENT

● Mr. EAST. Mr. President, Benjamin Disraeli once declared that there are three categories of untruth: lies, damn lies, "and then, sir, there are statistics."

Just now we are hearing a great deal about unemployment statistics. We are told that the latest unemployment figures reveal that we are about to relive the worst days of the Great Depression. At a recent public appearance by President Reagan, a bogus soup kitchen was set up to dramatize the point.

While neither I nor any member of my party is satisfied with the present level of joblessness in this country, and while none of us would ever attempt to make light of the very real human suffering it entails, I feel that we must keep this issue in proper perspective and not be deterred from doing the hard but necessary things that must be done if we are to restore genuine prosperity to the Nation.

Those who talk darkly about a return to breadlines and apple selling on street corners are twisting the facts of the situation to suit their own purposes. There are significant differences between unemployment in the 1930's and unemployment today. I recommend to my col-

leagues an excellent article on the subject by Ed Townsend, labor correspondent of the Christian Science Monitor. I ask that the complete text of Mr. Townsend's article be reprinted in the RECORD.

The article follows:

[From the Christian Science Monitor, Dec. 7, 1981]

HOW TODAY'S JOBLESS SCENE DIFFERS FROM 1930'S

(By Ed Townsend)

The steep rise in unemployment in November, to 8.4 percent of the labor force, is causing growing concern about the impact that the deepening recession will have on American hourly paid and salaried workers. There is grim talk of a return to the problems of the 1930s.

The worries are largely unwarranted. Today's conditions are by no means the same as those half a century ago. Then, high unemployment was a major social issue; now, it is more a political issue as a result of government and private safeguards against the misery and despair of unemployment.

With 8.4 percent unemployment, an increase from 8 percent in October, the number of jobless reached just over 9 million of a total work force of 107 million. The totals were the highest since the severe recession of 1974-75, when the rate reached 9 percent before turning down.

If President Reagan's first efforts to end a year-long rift with unions have had any limited successes, the November unemployment report probably wiped them out. AFL-CIO president Lane Kirkland immediately renewed attacks on the Reagan economic program: It is "not solving but aggravating the nation's economic and human crisis," he said.

"It is time to adopt a new antirecession program that will ease human hardship now and build toward a healthy economy," Mr. Kirkland said.

Numerically the total is approaching that in the depression 1930s, when unemployment reached 12,830,000. However, with a smaller work force, 51,590,000 in 1933, the national jobless rate was a grim 24.9 percent; only 38,760,000 were working. These hardships resulted in President Franklin Roosevelt's New Deal measures to ease the impact of unemployment through a benefit system that has been revised through the years until a jobless worker now is able to collect benefits that in many instances exceed one-half of what was earned while working. Paid for a limited period, in most instances six months or more, these benefits have eased hardships considerably.

Another change from the 1930s is the large number of families that now have a husband and wife as bread earners; 50 years ago so there was almost total reliance on a husband's wages.

Still another change, in auto and other industries, results from labor contracts that assure workers of partial pay if they are laid off—as much as 90 percent or more through pay and jobless benefits in the case of auto workers with long seniority.

Those who are laid off talk of limited or skipped Christmases this year, reduced living standards, and mounting bills, but the specter of soup kitchens, long bread lines, and apple selling on street corners is not likely to reappear.

Union officials who met with Mr. Reagan earlier in the week sharply opposed the administration's economic program and called for changes. Most left the meeting dissatisfied: Except for a minor concession on the air traffic controllers issue, one that could open other government jobs to some of those fired for striking, the best the unionists could say of the meeting was, "We at least talked face to face, something we hadn't been able to do since last January."

When the Bureau of Labor Statistics released its unemployment figures two days later, President Reagan said that, having grown up and entered the work force in the Great Depression, "I can assure you that I do not take unemployment lightly. It's a great tragedy for the people involved."

Nevertheless, the President and others in his administration remain firmly committed to the policies that labor strongly opposes. They said that rising unemployment is "the price you have to pay for bringing down inflation." The White House expressed optimism that the Reagan economics program will reverse the unemployment trend next year.

For organized labor, that was not enough. The November unemployment rise affected nearly all groups in the labor force, but the impact was especially large for those in blue-collar occupations. The rate for adult men rose to 7.2 percent, just below the post-World War II high. ●

THE ADDICTION TO CONTINUING RESOLUTION

● Mr. DECONCINI. Mr. President, I voted against final passage of House Joint Resolution 370, the third continuing resolution for fiscal year 1982, despite the fact it contains a number of items in which I have a particular interest. The adoption of another continuing resolution covering 10 of the 13 regular appropriations bills is unwarranted, dangerous, and irresponsible.

It is unwarranted, Mr. President, because it is unnecessary. The normal appropriations process was well along toward completion when it was put on hold in September by the leadership of this body at the behest of the administration. At that point, 10 of the 13 appropriations bills had either cleared the House or were pending on the calendar; one had passed the Senate, two were reported, and the majority of the remainder were awaiting full committee action. The Treasury, Postal Service, and general Government bill, for instance, was marked up July 14 and could easily have been disposed of shortly after the August recess had it not been for the scheduling freeze initiated by the administration.

Thus, the record should be clear as to why we are still enacting continuing resolutions at the end of the first quarter of fiscal 1982. The budgetary disarray reflected in House Joint Resolution 370 has not been the result of congressional dereliction. Nor is it attributable to some incapacity on the part of the Appropriations Committees and their leadership. The real causes, as all of us know, lie elsewhere and are much more fundamental than squabbles over a fraction of 1 percent of the total Federal budget would suggest. The hard fact is that the Congress has enacted the President's economic program. On that much, at least, the Senate Budget Committee agrees in its report accompanying the so-called second concurrent resolution. Unfortunately, that plan has failed to perform as advertised. Far from providing a surge of real GNP growth, rapidly declining unemployment, and sharply dropping interest rates, we are now headed for what will probably be the worst economic crisis

since the Great Depression. Furthermore, this crisis will be compounded by unprecedented Federal deficits totaling, according to OMB, in excess of \$400 billion over the next 3 years.

Addition to continuing resolutions and comparable omnibus funding measures is dangerous, Mr. President, because it erodes the independence of this branch of the Government and puts intolerable stress on the delicate constitutional balances at the heart of our political and governmental system. It bears repeating in this context that the most telling power conferred upon the legislative branch is the power of the purse. Upon that power hinges, in one way or another, all other effective congressional authorities. To the degree that Congress abdicates its control of public expenditures—to that extent the constitutional foundations of legislative independence are undermined.

Finally, Mr. President, appropriation via continuing resolution under the threat of a Presidential veto is irresponsible. It puts the Congress in the untenable position of approving without due deliberations unspecified funding changes whose full implications cannot be known. In this most recent case, for example, we were given to understand that no amendments, regardless of their merit, were possible because it was imperative to avoid a repetition of last month's cleverly contrived budget crisis. Thus, even those who took the trouble to identify and correct obvious flaws, errors, and deficiencies were precluded from doing so. That is why, Mr. President, House Joint Resolution 370 contains too much for foreign aid and not enough for veterans services or the maternal and child health program, for instance. Also, it should be noted that in the area of defense expenditures under House Joint Resolution 370 is \$197 billion, instead of the \$208 billion as was approved by the Senate. By enacting House Joint Resolution 370 we are once again shortchanging our national security by spending for less than the Senate defense appropriation bill and what the President has asked for. How long can we continue not to move forward with increases in defense spending? Our national security deserves better and so do the people of this Nation.

The time has come, Mr. President, to draw the line and begin the process of rebuilding responsible budgetary procedure. Financial management by a combination of Executive fiat and omnibus funding resolutions cannot be allowed to continue. ●

THE 10TH ANNIVERSARY OF THE CONNECTICUT STATE PLANNING COUNCIL ON DEVELOPMENTAL DISABILITIES

● Mr. WEICKER. Mr. President, Wednesday, December 16, 1981 will mark the 10th anniversary of the Connecticut State Planning Council on Developmental Disabilities, an agency whose accomplishments in service to the disabled deserve the recognition of our colleagues.

In the first decade of its existence the council has awarded over 75 percent of

its grant funds to initiate direct service projects in the four priority areas established under the law. Although no grant was for more than 3 years duration, it is significant that today 85 percent of the projects funded are still functioning. As a result of council activities in its most recently concluded year over 3,900 disabled individuals were served.

This record of accomplishments is directly the result of the involvement of a wide range of Connecticut citizens. More than 100 people, the majority of them consumers, have been council members and some 67 public and private agencies have participated in the council's work since 1971.

In addition to an actively involved membership the council has also enjoyed the strong and effective leadership of its chairperson, Mildred S. Adams and its executive director Edward T. Preneta.

Earlier this year the Congress reviewed the developmental disabilities program and reaffirmed its support by reauthorizing DD in the Omnibus Reconciliation Act. The Connecticut council's 10th anniversary affords us an opportunity to reflect on one of the many fine State level agencies who actually perform the challenging and vital job of assisting those with lifelong and multiple handicaps to reach their fullest potential in our society. It is an opportunity I take with pride, particularly in this, the International Year of Disabled Persons. ●

ADDRESS BY OSCAR FIELD, PRESIDENT OF THE IDAHO FARM BUREAU FEDERATION

● Mr. SYMMS. Mr. President, in the mire of pessimism that has beleaguered the success of President Reagan's economic recovery plan, it is refreshing to hear from someone who recognizes its necessity, and urges continued confidence in this Nation's ability to address its problems and overcome its adversities. I recently read a speech of such a person, and I was so impressed with his words of commonsense and positivism that I want to share them with the Members of this great body. We should heed the wisdom of these thoughts as we face the difficult economic decisions we must make.

The speech was given before the Idaho Farm Bureau Federation by its president, Oscar Field. In the remarks, Mr. Field notes the adversities currently being faced by farmers throughout the Nation, but reminds us that the Reagan formula is still in its infancy compared to 40 years of economic fiscal irresponsibility. His charge that "The best hope of Agriculture is to continue believing that inflation will be curbed by the President's Program," is testament to his strong conviction that our economic problems have only begun to be reversed by the policies of this administration. Mr. Field calls on America's farmers to reaffirm their commitment to the recovery package despite the short-term discomfort of the recovery efforts.

I hope that the Members of this body remember Mr. Field's strong and courageous words as they deliberate on the next steps of the economic program of

President Reagan. The text of Mr. Field's address follows:

REMARKS OF OSCAR FIELD

It's good to be with you for three days of work and relaxation, at this very important meeting where we will accept the policies which will guide us for the coming year. Policy development is near to my heart. This is where every Farm Bureau member has an opportunity for input. Here, is where the grass roots really work.

I appreciate your abilities and dedication to help move this organization along. Thank you Board of Directors, County Presidents, Women of Farm Bureau, Young Farmers and Ranchers, Staff and members.

We are moving in every area. . . . We are accomplishing much . . . but we must do more. . . .

In looking back over the past year, where are our continued concerns? Where are the silver linings coming through the cloudy skies?

Again, we have had bumper crops. We can really produce, no matter whatever obstacles. Our financial success? That's a different story. Our markets are depressed. High inflation, high interest rates, high overhead have a direct relationship to the depressed farm income.

The government with its projected trillion dollar debt, is still the largest borrower, encouraging higher interest rates.

We cannot afford a trillion dollar debt! Do you know how much a trillion dollars is? If you spent one dollar every second (\$86,400.00 every day), it would take you over 31,000 years to spend a trillion dollars. A trillion dollar debt means a \$12,500 debt for every American household.

Last year, the American people said, "We want to turn this country around. We cannot survive the philosophy of government spending. We cannot carry this financial burden."

Our organization came out in strong support of President Reagan's economic recovery program, because it was in line with Farm Bureau's policies. We did not make that commitment that we would support it only until it became uncomfortable for us! The President's program has only been implemented for the past two months and already the news media and others are saying it won't work. It took us 40 years to get this headache and it cannot be overcome in 2 months. Someone has said that it is like ordering an air conditioner for your overheated home and then complain that it hasn't worked even before it has been delivered.

ABC Television's recent poll interested me. ABC selected 1500 people to interview and found that a slight majority felt that the President had not delivered on his promises, so had lost faith in him, or were not as pleased with him as they had been one year ago. There are over 230 million people in the United States and ABC was indicating that 1500 people could project the philosophy of the American people.

INFLATION IS STARTING TO COME DOWN . . .
INTEREST RATES ARE STARTING DOWN

The best hope for Agriculture is to continue believing that inflation will be curbed by the President's program. This would give consumers more spendable income and we could expect an increase in the demand for Agricultural products.

In Idaho we have 831,000 people while New York State has 18 million and California nearly 23 million people. We are proud of our growth in the last 8 years of the Idaho Farm Bureau from 14,000 to 24,000 and our over 3 million American Farm Bureau members.

It's easy to see, however, that with farmers making up only 3 percent of the total population, our work is cut out for us. A little calculating—suppose only ¼ of our membership is really active, that means each

of us has the responsibility for informing and telling the story of Agriculture to 374 Americans.

Idaho Farm Bureau, as an organization and its individual members and the American Farm Bureau Federation, as a unit and members have been very active in all legislation, but particularly that affecting Agriculture.

We have those working in the areas of Energy, Water development, Marketing, Natural Resources, Estate Planning, Insurance, but there are still areas of concern.

Let me list some problems that need our immediate attention.

The Congress, pushed by conservationist groups, has mandated that every National Forest must have a forest plan by 1983. The plan must cover all the uses of the forest such as regulating fire wood cutting, grazing, timber cutting, mining, recreation, wildlife and all other general uses of the forest for the next ten years. This sounds harmless and a reasonably good idea, but if you don't become involved, you may be stuck with something that will be far from desirable. On completion, the final plan is fed into computers and from that time forward, the computer will be kicking out the instructions for each forest and each function on that forest.

If you are not involved in the plan during its construction, you cannot appeal it. If your concerns are voiced, you can then appeal, at your own expense, any part of the plan with which you disagree and legally have recourse.

You should continually review this plan while it is in its construction form. Send your name and address to the National Forest Supervisor's office in your area asking to be included on the mailing list for the forest planning. Also, ask to be placed on the list to review environmental reports in your specific area of interest. If you don't understand the plan, contact your nearest forest office. They are required to give explanations to the public.

Each plan will cost the taxpayers from \$750,000 to 1 million dollars to write. There are more than 90 national forests. All federal agencies, by law, are going through this process, BLM, Wildlife, Fish and Game, Forest Service, etc.

The Lolo Forest, out of Missoula, Montana has finished its plan. The plan has been appealed as unacceptable. If all the plans prove to be unsatisfactory and must be appealed, the cost to the taxpayer will be staggering, plus the damage to the American economy should these plans not support the multiple use philosophy for use of our natural resources.

We must continue to keep a sharp eye on those who would place stumbling blocks in the paths of energy development.

We must be very aware of the groups who are pledged to advance agitation for animal rights. There is a new book that we should all read. It is Love and Anger by Richard Morgan. It calls for organizing activists in the struggle for animal rights and other progressive political movements. Mr. Morgan states that in struggling to change the way humans treat animals and one another, we are working toward nothing less than the transformation of the world. I am not afraid of change . . . I welcome it . . . but the right kind of changes.

The first cast-iron plow invented in 1797 was rejected under the theory that cast iron poisoned the land and stimulated the growth of weeds. Men have insisted that iron ships could never float, planes never carry hundreds of people safely and now critics of the nuclear age believe that nuclear energy can never be harnessed safely.

Our concerns must be based on facts. We must never be guilty of becoming complacent.

Things are looking up. Economists are saying that gasoline prices next year will rise only slightly, diesel supplies are plentiful and will also increase in cost only a small amount.

Government regulations, in the past, have been like an elephant sitting on a baby bird to keep it warm. This year, there will be relief from government regulations. The Occupational Safety and Health Administration and the Environmental Protection Agency will make fewer inspections and concentrate only on the known "bad apples".

We have a president who is not afraid of political pressures. For the first time in many years, he is being the aggressor with the proposal concerning nuclear missiles in Europe. The monkey is now on Russia's back.

Our president is not afraid to do the things that he feels are right to regain America's greatness.

Can we do Less?

I am reminded of the story of the man who had six sons who continually quarreled among themselves. He called them to him and gave each a stick asking them to each break his stick. The task was easy. Then he gave each a bundle of sticks with the same request. The bundle of sticks could not be broken.

Our strength and weaknesses in Farm Bureau lie in the diversification of the many commodities our umbrella organization represents. We are bound to have differences of opinions, but working together, we are like the bundle of sticks . . . We cannot be bent or broken. We can accomplish everything we desire to help Agriculture remain the most important and necessary industry in the lives of all Americans.

According to a recent Iowa State University Report, I quote, "Farmers are about to enter their most prosperous period of this century".

Hang tough! Be informed! Be willing to share your ideas! Generate excitement! Be actively working in Farm Bureau, the organization that will help to make all of our futures bright! Thank you and God Bless!●

OPPOSITION TO BUDGET CUTS PERTAINING TO SENIOR CITIZENS, THE INDIGENT AND MINORITY GROUPS

● Mr. EXON. Mr. President, in Nebraska, citizens of the grand generation have recently finished the second legislative session of the "Silver-Haired Unicameral." This body of senior citizens addressed themselves to laws and issues which can contribute to a better society.

At the request of the "Silver-Haired Unicameral," whose members are greatly concerned that additional budget cuts will slice a hole in the so-called "social safety net," I ask that their resolution number 4 be printed in the RECORD for each Senator to see. The resolution reads:

SILVER-HAIRED RESOLUTION No. 4

Now, therefore, be it resolved by the members of the Silver-Haired Unicameral of Nebraska, Second Session:

Whereas, the budget proposals suggested and submitted by the Reagan administration affect mostly the senior citizens, the indigent, and minority groups, and,

Whereas the latest proposals as of October 10 will create more hardships for the aged, the blind, the disabled, and

Whereas the President stated in the Spring these would be exempt from such cuts, and

Now therefore be it resolved That this body of Silver Haired Legislators, State of Nebraska go on record opposing these cuts as proposed, and

Be it further resolved a letter stating our views shall be sent to our representatives in both Houses of Congress, asking them to read it to the bodies, and requesting that it be made a part of the Congressional Record, and a like letter be sent to President Reagan. ●

QUORUM CALL

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

The PRESIDING OFFICER (Mr. WARNER). Without objection, it is so ordered.

ORDERS FOR TUESDAY

RECESS UNTIL 10 A.M.

Mr. BAKER. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 10 a.m. tomorrow.

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

RECOGNITION OF CERTAIN SENATORS

Mr. BAKER. Mr. President, I ask unanimous consent that after the recognition of the two leaders tomorrow under the standing order, the following Senators be recognized on special orders, for not to exceed 15 minutes each: the Senator from Pennsylvania (Mr. SPECTER), the Senator from Wisconsin (Mr. PROXMIRE), the Senator from Arkansas (Mr. BUMPERS), the Senator from Mississippi (Mr. COCHRAN), and the Senator from Pennsylvania (Mr. HEINZ).

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

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that on tomorrow, after the recognition of Senators under the standing order and the special orders just entered, there be a brief period for the transaction of routine morning business, not to extend longer than 15 minutes, in which Senators may speak for not more than 3 minutes each.

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

RECESS UNTIL 10 A.M. TOMORROW

Mr. BAKER. Mr. President, if there is no further business to come before the Senate, and I see no Senator seeking recognition, I move, in accordance with the order just entered, that the Senate stand in recess until the hour of 10 a.m. tomorrow.

The motion was agreed to; and at 4:09 p.m. the Senate recessed until tomorrow, Tuesday, December 15, 1981, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate December 14, 1981:

FEDERAL ELECTION COMMISSION

Danny Lee McDonald, of Oklahoma, to be a Member of the Federal Election Commission

for the term expiring April 30, 1987, vice Robert O. Tiernan, term expired.

FEDERAL MEDIATION AND CONCILIATION SERVICE

Kenneth E. Moffett, of Maryland, to be Federal Mediation and Conciliation Director, vice Wayne L. Horvitz, resigned.

MERIT SYSTEMS PROTECTION BOARD

Herbert E. Ellingwood, of California, to be a Member of the Merit Systems Protection Board for the remainder of the term expiring March 1, 1986, vice Ruth T. Prokop, resigned.

Herbert E. Ellingwood, of California, to be Chairman of the Merit Systems Protection Board, vice Ruth T. Prokop, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate, December 14, 1981:

NATIONAL TRANSPORTATION SAFETY BOARD

James Eugene Burnett, Jr., of Arkansas, to be a Member of the National Transportation Safety Board for the term expiring December 31, 1985.

COMMUNICATIONS SATELLITE CORPORATION

Robert M. Garrick, of California, to be a Member of the Board of Directors of the Communications Satellite Corporation until the date of the annual meeting of the Corporation in 1984.

FEDERAL EMERGENCY MANAGEMENT AGENCY

Bobby Jack Thompson, of New York, to be Administrator of the United States Fire Administration.

INTERNATIONAL BANKS

Myer Rashish, of the District of Columbia, to be U.S. Alternate Governor of the International Bank for Reconstruction and Development for a term of 5 years; U.S. Alternate Governor of the Inter-American Development Bank for a term of 5 years; U.S. Alternate Governor of the Asian Development Bank; and U.S. Alternate Governor of the African Development Fund.

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

DEPARTMENT OF THE TREASURY

C. T. Conover, of California, to be Comptroller of the Currency for a term of 5 years.

IN THE AIR FORCE

The following officers for appointment in the U.S. Air Force under the provisions of chapter 36, title 10 of the United States Code:

To be major general

Brig. Gen. Leon W. Babcock, Jr., XXX-X.
XXX-X., Regular Air Force.
Brig. Gen. Robert D. Beckel, XXX-X.
X., Regular Air Force.
Brig. Gen. John A. Brashear, XXX-X.
X., Regular Air Force.
Brig. Gen. Duane H. Cassidy, XXX-X.
X., Regular Air Force.
Brig. Gen. William M. Charles, Jr., XXX-X.
XXX-X., Regular Air Force.
Brig. Gen. Joseph H. Connolly, XXX-X.
XX-X., Regular Air Force.
Brig. Gen. Charles J. Cunningham, Jr., XXX-X.
XXX-X., Regular Air Force.
Brig. Gen. Thomas G. Darling, XXX-X.
XXX-X., Regular Air Force.
Brig. Gen. William A. Gorton, XXX-X.
XXX-X., Regular Air Force.
Brig. Gen. Monroe W. Hatch Jr., XXX-X.
X., Regular Air Force.
Brig. Gen. Paul H. Hodges, XXX-X-XXX X.
Regular Air Force.
Brig. Gen. William L. Kirk, XXX-X-XXX X.
Regular Air Force.
Brig. Gen. Donald L. Lamberson, XXX-X.
XXX-X., Regular Air Force.

Brig. Gen. Gerald D. Larson, XXX-X-XXX X.
X., Regular Air Force.
Brig. Gen. William J. Mall, Jr., XXX-X-XXX X.
X., Regular Air Force.
Brig. Gen. Charles McCausland, XXX-X.
XXX-X., Regular Air Force.
Brig. Gen. Robert E. Messerli, XXX-X-XXX X.
X., Regular Air Force.
Brig. Gen. Joseph D. Moore, XXX-X-XXX X.
Regular Air Force.
Brig. Gen. Richard D. Murray, XXX-X-XXX X.
X., Regular Air Force.
Brig. Gen. David L. Nichols, XXX-X-XXX X.
Regular Air Force.
Brig. Gen. Peter D. Odgers, XXX-X-XXX X.
Regular Air Force.
Brig. Gen. George B. Powers, Jr., XXX-X.
X., Regular Air Force.
Brig. Gen. Richard W. Pryor, XXX-X-XXX X.
X., Regular Air Force.
Brig. Gen. Bernard P. Randolph, XXX-X.
X., Regular Air Force.
Brig. Gen. Robert H. Reed, XXX-X-XXX X.
Regular Air Force.
Brig. Gen. Thomas C. Richards, XXX-X.
XX-X., Regular Air Force.
Brig. Gen. Robert A. Rosenberg, XXX-X.
X., Regular Air Force.
Brig. Gen. Robert D. Springer, XXX-X.
X., Regular Air Force.
Brig. Gen. Thomas S. Swalm, XXX-X.
XXX-X., Regular Air Force.
Brig. Gen. William E. Thurman, XXX-X.
X., Regular Air Force.
Brig. Gen. Edward L. Tixier, XXX-X.
X., Regular Air Force.
Brig. Gen. Harold W. Todd, XXX-X-XXX X.
Regular Air Force.
Brig. Gen. Kermit Q. Vandenbos, XXX-X.
XXX-X., Regular Air Force, Medical.
Brig. Gen. Brien D. Ward, XXX-X-XXX X.
Regular Air Force.
Brig. Gen. Clifton D. Wright, Jr., XXX-X.
XX-X., Regular Air Force.

The following officers for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of chapters 35, 831, and 837, title 10, United States Code:

To be major general

Brig. Gen. Frank H. Smoker, Jr., XXX-X.
X., Air National Guard of the United States.
Brig. Gen. Henry C. Smyth, Jr., XXX-X-XXX X.
X., Air National Guard of the United States.
Brig. Gen. Herbert L. Wassell, Jr., XXX-X.
XXX-X., Air National Guard of the United States.

To be brigadier general

Col. Carl D. Black, XXX-X-XXX X., Air National Guard of the United States.
Col. John E. Blewett, XXX-X-XXX X., Air National Guard of the United States.
Col. James T. Botticelli, XXX-X-XXX X., Air National Guard of the United States.
Col. Charles S. Cooper III, XXX-X-XXX X., Air National Guard of the United States.
Col. Michael DiBernardo, XXX-X-XXX X., Air National Guard of the United States.
Col. Thomas A. Facelle, Jr., XXX-X-XXX X., Air National Guard of the United States.
Col. Richard J. Geehan, Jr., XXX-X-XXX X., Air National Guard of the United States.
Col. William H. Johnson, XXX-X-XXX X., Air National Guard of the United States.
Col. Harold E. Juedeman, XXX-X-XXX X., Air National Guard of the United States.
Col. John M. Karibo, XXX-X-XXX X., Air National Guard of the United States.
Col. Myrie B. Langley, XXX-X-XXX X., Air National Guard of the United States.
Col. John R. Layman, XXX-X-XXX X., Air National Guard of the United States.
Col. Alexander P. MacDonald, XXX-X-XXX X., Air National Guard of the United States.
Col. William M. MacInnes, XXX-X-XXX X., Air National Guard of the United States.
Col. John T. Olson, XXX-X-XXX X., Air National Guard of the United States.
Col. Robert W. Paret, XXX-X-XXX X., Air National Guard of the United States.

Col. Bertram W. Sealy, Jr., [REDACTED]
Air National Guard of the United States.
Col. John J. Zito, [REDACTED] Air National Guard of the United States.

IN THE ARMY

The following-named officers for appointment in the Regular Army of the United States to the grade indicated under the provisions of § 601(a), Public Law 96-513, 12 December 1980, and title 10, United States Code, § 624:

To be major general

Maj. Gen. Ames S. Albro, Jr., [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Andrew H. Anderson, [REDACTED]
[REDACTED] Army of the United States (brigadier general, U.S. Army).

Brig. Gen. (promotable) Thurman E. Anderson, [REDACTED]
[REDACTED] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Richard W. Anson, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. William S. Augerson, [REDACTED]
[REDACTED] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Donald M. Babers, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Charles W. Bagnal, [REDACTED]
Army of the United States (colonel, U.S. Army).

Maj. Gen. Floyd W. Baker, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Quinn H. Becker, [REDACTED]
Army of the United States (colonel, U.S. Army).

Maj. Gen. Robert L. Bergquist, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Raymond H. Bishop, Jr., [REDACTED]
[REDACTED] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Richard D. Boyle, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Arthur E. Brown, Jr., [REDACTED]
[REDACTED] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Edward M. Browne, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John D. Bruen, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Paul P. Burns, [REDACTED]
[REDACTED] Army of the United States (brigadier general, U.S. Army).

Brig. Gen. (promotable) Andrew P. Chambers, [REDACTED]
[REDACTED] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Mary E. Clarke, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Neal Creighton, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Brig. Gen. (promotable) John S. Crosby, [REDACTED]
[REDACTED] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Howard G. Crowell, Jr., [REDACTED]
[REDACTED] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Jerry R. Curry, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Brig. Gen. (promotable) William S. deCamp, [REDACTED]
[REDACTED] Army of the United States (colonel, U.S. Army).

Maj. Gen. Edward A. Dinges, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Henry Doctor, Jr., [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Brig. Gen. (promotable) Robert J. Donahue, [REDACTED]
[REDACTED] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Benjamin E. Doty, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. David K. Doyle, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Harry L. Dukes, Jr., [REDACTED]
[REDACTED] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Charles W. Dyke, [REDACTED]
Army of the United States (colonel, U.S. Army).

Maj. Gen. David W. Einsel, Jr., [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Brig. Gen. (promotable) James N. Ellis, [REDACTED]
[REDACTED] Army of the United States (colonel, U.S. Army).

Maj. Gen. Robert M. Elton, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Vincent E. Falter, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Joseph L. Fant III, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Charles J. Flala, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Robert C. Forman, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Brig. Gen. (promotable) Robert H. Forman, [REDACTED]
[REDACTED] Army of the United States (brigadier general, U.S. Army).

Brig. Gen. (promotable) Charles D. Franklin, [REDACTED]
[REDACTED] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. James E. Freeze, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Daniel W. French, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Niles J. Fulwyler, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John R. Galvin, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John D. Granger, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Henry H. Harper, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Thomas F. Healy, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Elvin H. Helberg III, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John A. Hemphill, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Robert L. Herriford, Sr., 327-24-1260, Army of the United States (brigadier general, U.S. Army).

Brig. Gen. (promotable) Arthur Holmes, Jr., [REDACTED]
[REDACTED] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John W. Hudachek, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. William K. Hunzeker, 186-20-7622, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Edward J. Huycke, [REDACTED]
Army of the United States (colonel, U.S. Army).

Maj. Gen. Theodore G. Jones, Jr., [REDACTED]
[REDACTED] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. James H. Johnson, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Vaughn O. Lang, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Donald R. Lasher, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Richard D. Lawrence, [REDACTED]
[REDACTED] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Allen H. Light, Jr., [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Brig. Gen. (promotable) Aaron L. Lilley, Jr., [REDACTED]
[REDACTED] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. James J. Lindsay, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Fred K. Mahaffey, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. James P. Maloney, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Brig. Gen. (promotable) George E. Marine, [REDACTED]
[REDACTED] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Carl H. McNair, Jr., [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Brig. Gen. (promotable) Walter J. Mehl, [REDACTED]
[REDACTED] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Louis C. Menetrey, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Bernhard T. Mittenmeyer, [REDACTED]
[REDACTED] Army of the United States (colonel, U.S. Army).

Maj. Gen. William C. Moore, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Max W. Noah, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John B. Oblinger, Jr., [REDACTED]
[REDACTED] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Edward C. O'Connor, [REDACTED]
[REDACTED] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Joseph T. Palastra, Jr., [REDACTED]
[REDACTED] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Elmer D. Pendleton, Jr., [REDACTED]
[REDACTED] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. James C. Pennington, [REDACTED]
[REDACTED] Army of the United States (brigadier general, U.S. Army).

Brig. Gen. (promotable) Garrison Rapmund, [REDACTED]
[REDACTED] Army of the United States (colonel, U.S. Army).

Maj. Gen. Benjamin F. Register, Jr., [REDACTED]
[REDACTED] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Roderick D. Renick, Jr., [REDACTED]
[REDACTED] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Hugh G. Robinson, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Patrick M. Roddy, [REDACTED]
Army of the United States (colonel, U.S. Army).

Maj. Gen. Vincent M. Russo, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. William H. Schneider, [REDACTED]
[REDACTED] Army of the United States (colonel, U.S. Army).

Maj. Gen. Robert L. Schweitzer, [REDACTED]
[REDACTED] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John W. Seigle, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Lawrence F. Skibble, [REDACTED]
[REDACTED] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Harold I. Small, [REDACTED]
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Robert B. Solomon, ~~XXXX-XXXX~~, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Howard F. Stone, ~~XXXX-XXXX~~, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Albert N. Stubblebine III, ~~XX-XX-XX~~, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Duane H. Stubbs, ~~XXXX-XXXX~~, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Robert A. Sullivan, ~~XXXX-XXXX~~, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Edward L. Trobaugh, ~~XX-X-XX~~, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Dale A. Vesser, ~~XXXX-XXXX~~, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Carl E. Vuono, ~~XXXX-XXXX~~, Army of the United States (colonel, U.S. Army).

Maj. Gen. Louis C. Wagner, Jr., ~~XX-X-XX~~, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. David E. Watts, ~~XXXX-XXXX~~, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. James S. Welch, ~~XXXX-XXXX~~, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Richard M. Wells, ~~XXXX-XXXX~~, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. James A. Williams, ~~XXXX-XXXX~~, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John W. Woodmansee, Jr., ~~XX-XX-XX~~, Army of the United States (colonel, U.S. Army).

To be brigadier general

Brig. Gen. Floyd C. Adams, Jr., ~~XX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert B. Adams, ~~XXXX-XXXX~~, Army of the United States (colonel, U.S. Army).

Col. (promotable) Edwin M. Aguanno, ~~XXXX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Anthony F. Albright, ~~XX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Jack A. Apperson, ~~XXXX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Norman E. Archibald, ~~XX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. John C. Bahnsen, Jr., ~~XX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. John L. Ballantyne III, ~~XXXX-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Lyle J. Barker, Jr., ~~XXXX-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Gerald T. Bartlett, ~~XX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Richard J. Bednar, ~~XX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Gerald H. Bethke, ~~XX-XX-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Frederick C. Blehuse, ~~X-XX-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Zeb B. Bradford, Jr., ~~XX-XX-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Jack O. Bradshaw, ~~XXXX-XX-XX~~, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. James T. Bramlett, ~~XX-XX-XX~~, Army of the United States (colonel, U.S. Army).

Col. (promotable) Joe J. Breedlove, ~~XX-X-XX~~, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Charles F. Briggs, ~~XXXX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Leo A. Brooks, ~~XXXX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Grail L. Brookshire, ~~XX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Jeremiah J. Brophy, ~~XXXX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Charles W. Brown, ~~XXXX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Dallas C. Brown, Jr., ~~XX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Frederick J. Brown III, ~~XX-XX-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. John M. Brown, ~~XXXX-XXXX~~, Army of the United States (colonel, U.S. Army).

Col. (promotable) Lee D. Brown, ~~XX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. David L. Buckner, ~~XXXX-XXXX~~, Army of the United States (colonel, U.S. Army).

Col. (promotable) Robert H. Buker, ~~XX-XX-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Jerry M. Bunyard, ~~XXXX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Peter G. Burbules, ~~XXXX-XXXX~~, Army of the United States (colonel, U.S. Army).

Col. (promotable) William F. Burns, ~~XX-XX-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Archie S. Cannon, Jr., ~~XX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Richard G. Cardillo, ~~XX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. William E. Carlson, ~~XXXX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Thomas E. Carpenter III, ~~XX-XX-XX~~, Army of the United States (lieutenant colonel, U.S. Army).

Col. (promotable) William S. Carpenter, ~~XXXX-XXXX~~, Army of the United States (lieutenant colonel, U.S. Army).

Col. (promotable) James C. Cercey, ~~XX-X-XX~~, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Hubert T. Chandler, ~~XX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. James L. Collins, Jr., ~~XX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Donald W. Connelly, ~~XX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Michael J. Conrad, ~~XXXX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Andrew L. Cooley, ~~XXXX-XXXX~~, Army of the United States (colonel, U.S. Army).

Col. (promotable) Johnnie H. Corns, ~~XX-XX-XX~~, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Walter C. Cousland, ~~XX-X-XX~~, Army of the United States (colonel, U.S. Army).

Col. (promotable) Eugene R. Cromartie, ~~XXXX-XXXX~~, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Robert T. Cutting, ~~XXXX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Harold D. Davis, Jr., ~~XX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Sidney Davis, ~~XX-XX-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Peter M. Dawkins, ~~XXXX-XXXX~~, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Donald J. Delandro, ~~XXXX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Norman G. Delbridge, Jr., ~~XX-XX-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. James R. DeMoss, ~~XXXX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. James L. Dozier, ~~XXXX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Charles F. Drenz, ~~XXXX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. James E. Drummond, ~~XX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. William R. Dwyre, ~~XXXX-XXXX~~, Army of the United States (colonel, U.S. Army).

Col. (promotable) Donald E. Eckelbarger, ~~XXXX-XXXX~~, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Charles H. Edmiston, Jr., ~~XX-XX-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Maurice O. Edmonds, ~~XX-X-XX~~, Army of the United States (colonel, U.S. Army).

Col. (promotable) Fred E. Elam, ~~XX-X-XX~~, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Jack B. Farris, Jr., ~~XXXX-XXXX~~, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Thomas J. Flynn, ~~XXXX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Johnnie Forte, Jr., ~~XXXX-XXXX~~, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. John W. Foss, ~~XXXX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Eugene Foxe, ~~XXXX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Joseph P. Franklin, ~~XXXX-XXXX~~, Army of the United States (colonel, U.S. Army).

Col. (promotable) Forrest T. Gay III, ~~XX-XX-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Charles E. Getz, ~~XXXX-XXXX~~, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Wendell H. Gilbert, ~~XXXX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Charles F. Gordon, Jr., ~~XX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. William H. Gourley, ~~XX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Todd P. Graham, ~~XXXX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Richard G. Graves, ~~XXXX-XXXX~~, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Donald J. Gudinas, ~~XXXX-XXXX~~, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. James R. Hall, Jr., ~~XXXX-XXXX~~, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Robert D. Hammond, ~~XX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Bruce R. Harris, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Henry J. Hatch, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Col. (promotable) Mildred E. P. Hedberg, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. James R. Henslick, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Bernard M. Herring, Jr., ~~XXXX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Patrick J. Hessian, ~~XXXX-XX-XXXX~~, Army of the United States (major, U.S. Army).

Brig. Gen. James M. Hesson, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Col. (promotable) Jere L. Hickman, ~~XXXX-X-XX~~, Army of the United States (colonel, U.S. Army).

Col. (promotable) Donald C. Hilbert, ~~XXXX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Jerome B. Hilmes, ~~XXXX-XX-XXXX~~, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Fred Hissong, Jr., ~~XXXX-XX-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Stanislaus J. Hoey, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Col. (promotable) Curtis F. Hogan, ~~XXXX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Ronald M. Holdaway, ~~XXXX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Edward Honor, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Houston P. Houser III, ~~XXXX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Victor J. Hugo, Jr., ~~XXXX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Cary B. Hutchinson, Jr., ~~XXXX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Claude T. Ivey, ~~XXXX-XX-XXXX~~, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Hazel W. Johnson, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Johnny J. Johnston, ~~XXXX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Homer Johnstone, Jr., ~~XXXX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Kenneth A. Jolemore, ~~XXXX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Lincoln Jones III, ~~XXXX-XX-XXXX~~, Army of the United States (lieutenant colonel, U.S. Army).

Col. (promotable) Frances F. Jordan, ~~XXXX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert M. Joyce, ~~XXXX-XX-XX~~, Army of the United States (colonel, U.S. Army).

Col. (promotable) Walter W. Kastemayer, ~~XXXX-X-XX~~, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Thomas W. Kelly, ~~XXXX-XX-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Richard S. Kem, ~~XXXX-XX-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Richard D. Kenyon, ~~XXXX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Claude M. Kicklighter, ~~XXXX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. John M. Kirk, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. William E. Klein, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Eugene S. Korpai, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Frank F. Ledford, Jr., ~~XXXX-X-XX~~, Army of the United States (colonel, U.S. Army).

Col. (promotable) Ray H. Lee, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Billie B. Lefler, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Kenneth C. Leuer, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Kenneth E. Lewi, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Bernard Loeffke, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Joseph C. Lutz, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Col. (promotable) Robert G. Lynn, ~~XXXX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Bobby J. Maddox, ~~XXXX-XX-XXXX~~, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Phillip H. Mason, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Church M. Matthews, Jr., ~~XXXX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. James F. McCall, ~~XXXX-XX-XXXX~~, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Thomas P. McHugh, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. John H. Mitchell, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. John H. Moellering, ~~XXXX-XX-XXXX~~, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Robert F. Mollnelli, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Gerald E. Montelth, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. James E. Moore, Jr., ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Donald R. Morelli, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Col. (promotable) Robert D. Morgan, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. John T. Myers, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Col. (promotable) Cecil N. Neely, ~~XXXX-X-XX~~, Army of the United States (lieutenant colonel, U.S. Army).

Col. (promotable) Rocco Negriz, ~~XXXX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Thomas C. Nelson, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Stephen E. Nichols, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. John W. Nicholson, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. William E. Odom, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. William G. O'Lekay, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Hardin L. Olson, Jr., ~~XXXX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Allen K. Ono, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Donald M. O'Shel, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Joe S. Owens, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Dave R. Palmer, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Col. (promotable) Ellis D. Parker, ~~XXXX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Julius Parker, Jr., ~~XXXX-XX-XXXX~~, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Burton D. Patrick, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Christian Patte, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. August R. Pede, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Benjamin J. Pellegrini, ~~XXXX-X-XX~~, Army of the United States (lieutenant colonel, U.S. Army).

Col. (promotable) Harry D. Penzler, ~~XXXX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Donald S. Pihl, ~~XXXX-XX-XXXX~~, Army of the United States (lieutenant colonel, U.S. Army).

Col. (promotable) James Piner, Jr., ~~XXXX-X-XX~~, Army of the United States (colonel, U.S. Army).

Col. (promotable) Robert W. Pointer, Jr., ~~XXXX-XX-XXXX~~, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Bobby B. Porter, ~~XXXX-XX-XXXX~~, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. William E. Potts, ~~XXXX-XX-XXXX~~, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Colin L. Powell, ~~XXXX-XX-XXXX~~, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Charles G. Prather IV, ~~XXXX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Roger J. Price, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. John P. Prillaman, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Hugh J. Quinn, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Frank A. Ramsey, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Lloyd K. Rector, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Leonard J. Riley, ~~XXXX-XX-XXXX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert W. Riscassi, ~~XXXX-XX-XXXX~~, Army of the United States (lieutenant colonel, U.S. Army).

Col. (promotable) George R. Robertson, ~~XXXX-XX-XXXX~~, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Thurman D. Rodgers, ~~XXXX-X-XX~~, Army of the United States (colonel, U.S. Army).

Brig. Gen. John E. Rogers, [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. William C. Roll, [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. Jimmy D. Ross, [REDACTED], Army of the United States (lieutenant colonel, U.S. Army).

Col. (promotable) Jackson E. Rozier, Jr., [REDACTED], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Crosbie E. Saint, [REDACTED], Army of the United States (lieutenant colonel, U.S. Army).

Col. (promotable) Thomas A. Sands, [REDACTED], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. William R. Sarber, Jr., [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. Richard A. Scholtes, [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. Henry J. Schumacher, [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. H. Norman Schwarzkopf, [REDACTED], Army of the United States (colonel, U.S. Army).

Col. (promotable) James E. Shelton, [REDACTED], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Mark J. Sisinyak, [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. Joseph J. Skaff, [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. Henry G. Skeen, [REDACTED], Army of the United States (colonel, U.S. Army).

Col. (promotable) Anthony A. Smith, [REDACTED], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Douglas S. Smith, [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. Isaac D. Smith, [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. Scott B. Smith, [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. Tommie G. Smith, [REDACTED], Army of the United States (colonel, U.S. Army).

Col. (promotable) Harry E. Soyster, [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. David W. Stallings, [REDACTED], Army of the United States (colonel, U.S. Army).

Col. (promotable) Lynn H. Stevens, [REDACTED], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Eugene L. Stillions, Jr., [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. Carl W. Stiner, [REDACTED], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. George R. Stotser, [REDACTED], Army of the United States (colonel, U.S. Army).

Col. (promotable) Tracy E. Strevey, Jr., [REDACTED], Army of the United States (colonel, U.S. Army).

Col. (promotable) Roy M. Strom, [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. Leroy N. Suddath, Jr., [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert J. Sunell, [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. William E. Sweet, [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. James R. Taylor, [REDACTED], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. James A. Teal, Jr., [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. Charles E. Teeter, [REDACTED], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. James E. Thompson, Jr., [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. Francis J. Toner, [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. Gary L. Turner, [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. Guthrie L. Turner, Jr., [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. William G. T. Tuttle, Jr., [REDACTED], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Nathan C. Vall, [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. James W. van Loben Sels, [REDACTED], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Robert E. Wagner, [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. John F. Wall, Jr., [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. Chester L. Ward, [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. Gerald G. Watson, [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. Henry G. Watson, [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. Ronald L. Watts, [REDACTED], Army of the United States (colonel, U.S. Army).

Col. (promotable) Carlton P. Weidenthal, [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. Sidney T. Weinstein, [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. Donald P. Whalen, [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. Albin G. Wheeler, [REDACTED], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Orren R. Whiddon, [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. Howard C. Whittaker, [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert D. Wiegand, [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. Richard W. Wilmot, [REDACTED], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. William P. Winkler, Jr., [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. Leonard P. Wishart III, [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. George K. Withers, Jr., [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. Frederick F. Woerner, Jr., [REDACTED], Army of the United States (colonel, U.S. Army).

Col. (promotable) Jack D. Woodall, [REDACTED], Army of the United States (lieutenant colonel, U.S. Army).

Col. (promotable) Stephen R. Woods, Jr., [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. John J. Yeosock, [REDACTED], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Robert S. Young, [REDACTED], Army of the United States (colonel, U.S. Army).

Brig. Gen. Ronald W. Zeltman, [REDACTED], Army of the United States (lieutenant colonel, U.S. Army).

The following-named officers for appointment in the Regular Army of the United States to the grade indicated under the provisions of title 10, United States Code, sections 611(a) and 624:

To be permanent major general

Brig. Gen. Normal G. Delbridge, Jr., [REDACTED], U.S. Army.

Brig. Gen. Frederic J. Brown III, [REDACTED], U.S. Army.

Brig. Gen. Stephen E. Nichols, [REDACTED], U.S. Army.

Brig. Gen. Francis J. Toner, [REDACTED], U.S. Army.

Brig. Gen. James R. Henslick, [REDACTED], U.S. Army.

Brig. Gen. Leo A. Brooks, [REDACTED], U.S. Army.

Brig. Gen. Richard A. Scholtes, [REDACTED], U.S. Army.

Brig. Gen. H. Norman Schwarzkopf, [REDACTED], U.S. Army.

Brig. Gen. Robert M. Joyce, [REDACTED], U.S. Army.

Brig. Gen. Johnny J. Johnston, [REDACTED], U.S. Army.

Brig. Gen. Joe S. Owens, [REDACTED], U.S. Army.

Brig. Gen. Claude M. Kicklighter, [REDACTED], U.S. Army.

Brig. Gen. John F. Wall, Jr., [REDACTED], U.S. Army.

Brig. Gen. Victor J. Hugo, Jr., [REDACTED], U.S. Army.

Brig. Gen. John H. Mitchell, [REDACTED], permanent major general.

Brig. Gen. Jerry M. Bunyard, [REDACTED], permanent major general.

Brig. Gen. Crosbie E. Saint, [REDACTED], permanent major general.

Brig. Gen. James E. Moore, Jr., [REDACTED], permanent major general.

Brig. Gen. William G. O'Leary, [REDACTED], permanent major general.

Brig. Gen. Thomas J. Flynn, [REDACTED], permanent major general.

Brig. Gen. Robert W. Riscassi, [REDACTED], permanent major general.

Brig. Gen. William E. Odom, [REDACTED], permanent major general.

Brig. Gen. Henry J. Schumacher, [REDACTED], permanent major general.

The following-named officer for appointment in the Regular Army of the United States to the grade indicated under the provisions of title 10, United States Code, sections 601(c) (2) and 624:

To be permanent major general

Lt. Gen. William Joseph Hilsman, [REDACTED], Army of the United States (brigadier general, U.S. Army).

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370:

To be general

Gen. Robert Morin Shoemaker, [REDACTED] (Age 57), Army of the United States (major general, U.S. Army).

IN THE NAVY

The following-named officers of the U.S. Navy for permanent promotion to the grade of rear admiral in the line and various staff corps pursuant to title 10, United States Code, sections 5780, 5781, and 5791, or sections 611(a) and 614 of the Defense Officer Personnel Management Act (Pub. L. 96-513), as applicable, subject to qualifications therefor as provided by law:

LINE

Austin, Robert Clarke
 Baldwin, John Ashby, Jr.
 Booth, Peter Blake
 Cassidy, Thomas Joseph, Jr.
 Cooper, Daniel Leander
 Davis, George Willmot, Jr.
 Felt, Donald Linn
 Grich, Richard John
 Hogan, Edward Joseph, Jr.
 Howe, Jonathan Trumbull
 Johnson, Roger David
 Johnston, Fred William, Jr.
 Kearns, William Anselm, Jr.
 Klein, Verle Wesley
 Martin, Edward Holmes
 McArthur, John Chester
 McCardell, James Elton, Jr.
 McCarthy, Paul Fenton, Jr.
 McCauley, William Frederick
 Moore, Charles Julian
 Moore, Virgil Wayne, Jr.
 Myers, Lowell Richard
 Parker, Jackson Knowles
 Parker, John Theodore, Jr.
 Peebles, Edward Metcalfe
 Piotti, Walter Theodore, Jr.
 Roane, Donald Patterson
 Smith, Dickinson Miller
 Smith, William Dee
 Taylor, Clinton Wagner
 Watson, Thomas Campbell, Jr.
 Wellman, Harold Nixon
 Williams, Allen Dean
 Wyatt, William Claudius, III
 Young, Harold Lawrence

MEDICAL CORPS

Lowery, Clinton Hershey
 Seaton, Lewis Hiram

The following-named officers of the U.S. Navy for permanent promotion to the grades of commodore and rear admiral when eligible in the line and various staff corps, pursuant to sections 611(a) and 614 of the Defense Officer Personnel Management Act (Pub. L. 96-513), as applicable, subject to qualifications therefor as provided by law:

LINE

Addams, John Franklin
 Almstedt, Theodore A., Jr.
 Arthur, Stanley Roger

Aut, Warren Edward
 Batzler, John Richard
 Box, Roger Elden
 Chang, Ming Erh
 Chatham, Walter Lewis
 Demars, Bruce
 Donnell, Joseph Stover, III
 Dunleavy, Richard Michael
 Fetterman, John Henry, Jr.
 Flatley, James Henry, III
 Furlong, George Morgan, Jr.
 Hacker, Benjamin Thurman
 Hekman, Peter Maynard, Jr.
 Herberger, Albert Joseph
 Holland, William Jeremiah, Jr.
 Kelsc, Frank Benton, II
 Kohn, Edwin Rudolph, Jr.
 Kurth, Ronald James
 Mackay, Gerald Wallace
 Marryott, Ronald Frank
 McDowell, Don Hardin
 Moranville, Kendall Elmer
 Narmi, Ronald Eugene
 Nyquist, John Walfrid
 Paulson, Allan Gerald
 Poindexter, John Marlan
 Rogers, Robert Burnett
 Schmitt, Robert William
 Severance, Laverne Stanard, Jr.
 Steele, Ted Charles, Jr.
 Storms, James Granville, III
 Sutherland, Paul Edward, Jr.
 Thompson, Richard Lee
 Toole, Morton Egner
 Walsh, William Albert
 Williams, James Dale

MEDICAL CORPS

Cooley, Norman Vale, Jr.
 Crews, Quintous Earl, Jr.
 Elliott, Robert Cahoon
 McDermott, William M., Jr.
 Zimble, James Allen

SUPPLY CORPS

Sansone, Joseph Sarto, Jr.
 Walker, Edward Keith, Jr.
 Wilson, Donald Edwin

CIVIL ENGINEER CORPS

Conner, Donald Lee

DENTAL CORPS

McLeod, Carlton Joseph

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Clarence Eugene Hodges, of Maryland, to be Chief of the Children's Bureau, Department of Health and Human Services, vice John A. Calhoun III.

IN THE COAST GUARD

Coast Guard nominations beginning Irving G. Sauer, to be captain, and ending Arthur E. Henn, to be captain, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on November 2, 1981.

IN THE AIR FORCE

Air Force nominations beginning Thomas F. Abbott, to be lieutenant colonel, and ending Nancy L. Wiseman, to be lieutenant colonel, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on November 23, 1981.

Air Force nominations beginning William J. Athas, to be lieutenant colonel, and ending Alan B. Johnson, to be lieutenant colonel, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on November 23, 1981.

IN THE ARMY

Army nominations beginning Donald C. Askew, to be colonel, and ending Bruce Walton, to be lieutenant colonel, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on December 1, 1981.

Army nominations beginning Eugene Womack Allen, to be colonel, and ending George Allen J. McNamee, to be captain, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on December 1, 1981.

IN THE NAVY

Navy nominations beginning Paul F. Abrahams, to be captain, and ending Stephen A. Zimmerman, to be lieutenant commander, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on November 12, 1981.

Navy nominations beginning Wilbur D. Jones, Jr., to be captain, and ending Frederick A. Albue, to be lieutenant (j.g.), which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on December 1, 1981.