SENATE—*Thursday, May 5, 1983*

(Legislative day of Monday, May 2, 1983)

The Senate met at 10 a.m., 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, D.D., offered the following prayer:

NATIONAL DAY OF PRAYER

Let us pray.

Our Father in Heaven, on this day proclaimed by the President of the United States as a National Day of Prayer, we join with millions who will take seriously the purpose for which this day has been set apart. We beseech Thee, that Thy Holy Spirit will come upon all who pray with mighty anointing and power. We thank Thee that we are not talking to ourselves when we pray—that we are addressing One who exhorts us to pray, who hears prayer and does something about it.

At a time of national and international crisis, we call upon Thee, gracious Father, for a great outpouring of Thy grace upon our land. Convict the churches of hypocrisy and materialism. Turn the hearts of the proud and arrogant to Thyself. Forgive, and purge sin from our lives and quicken us to purity and love. We pray in the name of the One who prayed on the cross and whose sacrifice was for all mankind. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

NATIONAL DAY OF PRAYER

Mr. BAKER. Mr. President, I commend the Chaplain for reminding us of the proclamation of today as a National Day of Prayer.

By proclamation of January 27, 1983, President Reagan has designated today, Thursday, May 5, 1983, a National Day of Prayer. Millions of Americans will specially set aside time for prayer today.

As the President said in his proclamation:

From General Washington's struggle at Valley Forge to the present, this Nation has fervently sought and received divine guidance as it pursued the course of history. This occasion provides our Nation with an opportunity to further recognize the source of our blessings, and to seek His help for the challenges we face today and in the future.

Mr. President, in connection with the National Day of Prayer and to acknowledge our dependence on Almighty God I will shortly ask the Senate to recess for 1 minute for silent prayer. While the Senate always opens its sessions with a prayer, it seems only fitting that on the National Day of Prayer we take an additional moment, in conjunction with our fellow citizens, to ask God for His continued blessings on the United States.

Mr. President, I ask unanimous consent that President Reagan's proclamation of the National Day of Prayer be printed in the RECORD.

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

NATIONAL DAY OF PRAYER—BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

Prayer is the mainspring of the American spirit, a fundamental tenet of our people since before the Republic was founded. A year before the Declaration of Independence in 1775, the Continental Congress proclaimed the first National Day of Prayer as the initial positive action they asked of every colonist.

Two hundred years ago in 1783, the Treaty of Paris officially ended the long, weary Revolutionary War during which a National Day of Prayer had been proclaimed every spring for eight years. When peace came the National Day of Prayer was forgotten. For almost half a century, as the Nation grew in power and wealth, we put aside this deepest expression of American belief—our national dependence on the Providence of God.

It took the tragedy of the Civil War to restore a National Day of Prayer. As Abraham Lincoln said, "Intoxicated with unbroken success, we have become too self-sufficient to feel the necessity of redeeming and preserving grace, too proud to pray to the God that made us."

Revived as an annual observance by Congress in 1952, the National Day of Prayer has become a great unifying force for our citizens who come from all the great religions of the world. Prayer unites people. This common expression of reverence heals and brings us together as a Nation and we pray it may one day bring renewed respect for God to all the peoples of the world.

From General Washington's struggle at Valley Forge to the present, this Nation has fervently sought and received divine guidance as it pursued the course of history. This occasion provides our Nation with an opportunity to further recognize the source of our blessings, and to seek His help for the challenges we face today and in the future.

Now, therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim Thursday, May 5, 1983 National Day of Prayer. I call upon every citizen of this great Nation to gather together on that day in homes and places of worship to pray, each after his or her own manner, for unity of the hearts of all mankind.

In witness whereof, I have hereunto set my hand this 27th day of January in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN.

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate now suspend its activities for 1 minute in order that Members of the Senate may take advantage of the opportunity to offer a prayer in their own and silent ways in the Senate Chamber on this day that the President has proclaimed as a National Day of Prayer, before the Senate proceeds to its business.

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

(The Senate observed 1 minute of silence.)

SENATE SCHEDULE

Mr. BAKER. Mr. President, today, after the recognition of the two leaders under the standing order, there will be a period for the transaction of routine morning business, not to extend past 10:30 a.m., in which Senators may speak for not more than 2 minutes each.

At 10:30 a.m., the Senate will resume consideration of Senate Concurrent Resolution 27, the concurrent resolution on the budget for fiscal year 1984. Although no amendment is pending, it is anticipated that one will be offered at or very shortly after 10:30 a.m.

I expect votes in the course of this day. Once again, let me say that I hope the Senate will have a good, full day, into the evening, on this subject. I anticipate that the Senate will be in session, as it was yesterday, past the dinner hour, until approximately 8, 8:30, or 9 p.m. We used a little less than 8 hours yesterday of the 50 hours allocated for consideration of this measure.

So the millstones of legislation "grind exceeding slow," to paraphrase another expression.

Mr. President, if we keep on at this rate, as I anticipate asking the Senate to do tomorrow as well, and perhaps on Saturday—although I prefer not to do that—we should be able to reach final passage of this measure sometime on Tuesday or no later than midday on Wednesday. That would be my hope.

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

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

I know that many Members are concerned about a session of the Senate tomorrow because of other events to which they may be committed, for a variety of reasons, around the country. I apologize to them. We simply have to go forward with the consideration of this resolution tomorrow and perhaps on Saturday, with the objective of trying to finish the budget resolution Tuesday evening or midday on Wednesday.

Mr. President, there is one further matter which I inquire of the minority leader if he would be willing to examine from his point of view.

It seems clear now that we are not going to reach the immigration bill on Monday.

Under the order previously entered, a time certain for final passage of the immigration bill does not become operative unless we reach that measure by Monday. I should like to try to clear on my side of the aisle a new unanimous-consent agreement with similar provisions for 2 days after we pass the budget resolution, with the same relationship to the budget resolution as if we had finished that matter this week instead of next week.

I am going to ask my cloakroom to check on that, and perhaps the minority leader will do the same with his cloakroom. Perhaps later in the day we can make a further announcement on that subject.

Mr. BYRD. Mr. President, I am sure that our cloakroom will do the same. It is a fair and reasonable request. We will get back to the majority leader.

Mr. BAKER. I thank the Senator.

Mr. President, I have no further need for my time under the standing order, if any remains, and I yield it now to the control of the minority leader, if he has need for it.

Mr. BYRD. I thank the majority leader.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. ARMSTRONG). The minority leader is recognized.

THE KIRKPATRICK DILEMMA—WHAT IS THE TRUE MEANING OF DEMOCRACY?

Mr. BYRD. Mr. President, historically the people of this country have taken great pride that our Nation stands out as a beacon of democracy, freedom, and hope for the rest of the world. We enjoy so many freedoms denied to so many hundreds of millions of people who inhabit this planet of ours. We enjoy these freedoms to such a degree that oftentimes we take them for granted.

Democracy, as practiced in this country, means so many things to all of us who have the privilege of enjoying this most dynamic association of peoples. It means the freedom of peaceful assembly and association; it means the respect for the integrity of the person; it means due process for the individual under our judicial system; it means freedom to participate in the political process; it means the right of the individual to worship his or her own God in his or her own way; it means freedom of the press; and importantly, it means freedom of speech. These are but a few of the freedoms we enjoy as the world's leading representative of democracy. But it is the freedom of speech, the freedom to offer differing views, that I wish to address at this point.

On April 27, 1983, the President addressed a joint session of Congress and the American people on his administration's policies toward Central America. In turn, a distinguished colleague of ours, Senator CHRISTOPHER J. DODD, appeared following the President to provide what was billed as the Democratic response.

At the outset of his remarks, Senator DODD emphasized the following:

> While there is no unanimity in Congress—on either side of the aisle—on Central America, tonight I am speaking for the many Americans who are concerned about our ever deepening involvement in that part of the world.

In other words, Senator DODD made it very clear that there was not a consensus in the Democratic Party on this question, just as the President does not enjoy a consensus in the Republican Party in support of his policies on this subject. The President's Central American policy is in trouble with the American people and in trouble in Congress. That is why the President felt compelled to go on television before a joint session of Congress to make his case on Central America.

That is why I was very concerned to read on Sunday that our Ambassador to the United Nations, Jeane Kirkpatrick, attacked Senator DODD as being irresponsible and demagogic in his response to the President.

In an effort to discredit the arguments presented by Senator DODD, Ambassador Kirkpatrick claimed that he was grossly wrong in his statement on the amount of aid the President had requested for El Salvador.

In his speech, Senator DODD said specifically:

> His (the President's) requests for El Salvador alone will bring the total aid to that country during his term to more than $1 billion.

The Ambassador claimed:

> The figure of $1 billion is off by 40 percent . . . Besides, most of our aid—3 to 1—goes for economic assistance and to helping the poor people Senator DODD says he wants to help. It has nothing to do with killing anybody.

What is the truth of these conflicting claims? I ask unanimous consent to have printed in the RECORD a table entitled "U.S. Assistance to El Salvador Under President Reagan."

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

U.S. ASSISTANCE TO EL SALVADOR UNDER PRESIDENT REAGAN

[Dollars in millions]

	Fiscal year 1981,[1] actual Reagan	Fiscal year 1982, actual	Fiscal year 1983, requested	Fiscal year 1984, requested	Total	Percent of overall total
Military [2]	$25.0	$81.0	$136.3	$86.3	$328.6	30.5
ESF [3]	24.9	115.0	140.0	120.0	399.9	37.1
Economic [4]	20.6	71.1	87.1	75.0	253.8	23.5
Other [5]	18.0	24.9	29.0	24.0	95.9	8.9
Total	88.5	292.0	392.4	305.3	1,078.2	

[1] Includes only additional amounts requested by the Reagan administration.
[2] Foreign military sales financing (FMS), military assistance program (MAP), and international military education and training program (IMET).
[3] Economic support funds.
[4] Development assistance and Public Law 480.
[5] Housing guarantee program, Commodity Credit Corporation program, and disaster relief.

Mr. BYRD. Mr. President, the table shows the amounts of military aid, economic aid, and economic support funds which the Reagan administration has provided or requested for El Salvador. The data are drawn from administration documents which have been presented to Congress.

It is clear that, contrary to Ambassador Kirkpatrick's statements on aid to El Salvador, Senator DODD was not wrong. Total aid, actual and requested through fiscal year 1984, is over $1 billion, just as Senator DODD stated.

Military assistance to El Salvador constitutes 30.5 percent of total aid under the Reagan administration. And of the total $400 million in economic support fund moneys already appropriated and requested by the administration, $350 million is to be provided to finance essential imports for the private sector.

As our Embassy in El Salvador points out, one of the major problems in El Salvador has been that of capital flight from the country. Ms. Bonnie Knight, the Embassy's economic counselor, told my staff last month that at least $1 billion had fled the country since 1979 and it is probably even more. She said it has been mainly the big export sectors which have sent their capital out of the country.

Mr. President, in effect, the United States is attempting to replace a portion of the Salvadoran private capital that is fleeing that country with capital provided through our economic support fund programs.

Economic support fund (ESF) assistance is a part of our security assistance programs along with military aid. ESF is not development assistance, which is directed for the benefit of the poor in recipient countries. ESF is a category of security assistance given to nations in which the United States has a security interest. It is used for general balance-of-payments support and

for infrastructure development—that is, roads and bridges. In El Salvador, both these uses have clear military applications. Military aid has comprised 30.5 percent of the total aid to El Salvador under this administration. If the ESF provided to the private sector in El Salvador is combined with military aid, only 37 percent of our aid to that country is designed to address the needs of the vast majority of the population. That is a far cry from Ambassador Kirkpatrick's characterization of the program.

Mr. President, in many ways I was not surprised that the Ambassador reacted to Senator DODD's speech in the manner she did. Since Mrs. Kirkpatrick is perceived as a primary architect of the President's policies in Central America, it is small wonder she would take issue with Senator DODD's remarks. However, I regret that she succumbed to the temptation to attack our distinguished colleague personally.

That is unfortunate given the high position she holds.

Mr. President, our policies in Central America are controversial with the American people and controversial in Congress. Our Government has devoted considerable credibility and resources to prevent a military victory by a leftist insurgency in El Salvador. Therefore, the American people deserve the opportunity of hearing differing views regarding our policy toward that region of the world.

I have not made up my mind completely as to what our proper role should be in the region, and I said this to Senator DODD in discussing the matter. I was careful to remind Senator DODD that the positions of Members on our side of the aisle are probably diverse and may run from one end of the spectrum to the other, and he knew that and so indicated, and I think his statement reflects that understanding. There is not unanimity on this side of the aisle and there is not unanimity on the other side of the aisle.

As I said to Senator DODD:

> Your views may not even necessarily reflect my own. I may not be in agreement fully with you.

I have not made up my mind completely as to what our proper role should be in the region. I remain open to arguments from all sides. If anybody wants to talk about the matter I will listen.

All who speak are exercising their right to express their views just as Senator DODD is exercising his right to express his views and I think we should at least be able to hear all sides of the issue and I think the American people have a right to hear divergent views on the matter.

It does seem to me that debate is the essence of democracy. I am concerned that the Ambassador, having devoted so much time and energy in developing our policy in Central America, has lost sight of what this country is all about. Ours is a democracy. Who knows, I may support her position. I may not. But I want to hear all sides. I have an open mind on the matter. My mind is not closed to her arguments or to Mr. DODD's arguments. I will listen to both.

I will listen to anyone else, and I think the American people are willing to do that.

We are a democracy and a democracy functions best when the policies of its Government are open to free and honest debate, and simply because someone may differ with me I am not constrained to call him a "demagogue," which is a word kicked around pretty freely these days. I suspect there is some demagoguery not only on the Hill but also downtown from time to time. I expect it has always been that way and I guess it will always be that way. But there is a difference in demagoguery and honest expression, a difference between demagoguery and intellectual honesty.

So I do not say that Mrs. Kirkpatrick engaged in demagoguery but I do not think anyone has the right to complain about Senator DODD's different viewpoint. Robotics may be the coming thing in the manufacturing field but I would like to hope that the Senate will not change in that respect and that we will not be mere robots to be moved around and told what to do by people in this administration, the last administration, or the next administration. I quite often differed with Mr. Carter and he never called me a demagog, and I differed with him publicly and privately.

So I think it is wrong to throw the word around so casually. Whether one agrees with Senator DODD or not, he has a right to state his views on a matter of such critical importance to the Nation, and if he wants to state them again I will be glad to listen, listen to anybody, and if and when I finally make up my own mind I will say what I think on the matter.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond 10:30 a.m., with statements therein limited to 2 minutes each.

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

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

APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to Executive Order 12131, signed by the President on May 4, 1979, appoints the Senator from Minnesota (Mr. BOSCHWITZ) to the President's Export Council.

The Chair, on behalf of the Vice President, pursuant to 22 U.S.C. 1928(a)(d), as amended, appoints the following Senators as members of the Senate delegation to the North Atlantic Assembly spring meeting to be held in Copenhagen, Denmark, June 9–13, 1983: The Senator from Delaware (Mr. ROTH), the Senator from Alabama (Mr. DENTON), the Senator from Georgia (Mr. MATTINGLY), the Senator from Alaska (Mr. MURKOWSKI), the Senator from New Hampshire (Mr. RUDMAN), the Senator from Pennsylvania (Mr. SPECTER), the Senator from Missouri (Mr. EAGLETON), the Senator from Texas (Mr. BENTSEN), the Senator from Montana (Mr. MELCHER), the Senator from Arizona (Mr. DECONCINI), and the Senator from Illinois (Mr. DIXON).

GENOCIDE CONVENTION: HOLOCAUST IN CAMBODIA

Mr. PROXMIRE. Mr. President, 1983 thus far has been a year of remembering atrocities of the Holocaust. All over the world, countries have commemorated such significant events as Hitler's rise to power, the Warsaw ghetto rebellion, and the reunion of concentration camp survivors.

While it is important to recognize the 40th anniversary of the Holocaust era, it is equally important for us to realize that such crimes are not merely legacies of the past, for they continue today, all over the world. Cambodia is one tragic example of this sad fact.

When the Pol Pot regime took control, nearly one-half of the Cambodian population was obliterated. Following this slaughter of an estimated 2 to 3 million citizens, the Vietnamese Communists moved into the country, claiming that their presence was necessary to stabilize Cambodia.

In a recent Washington Post article, James Webb, an ex-marine infantry officer in Vietnam, gives his perspective on the Cambodian situation. He points out that there are 200,000 Vietnamese soldiers currently occupying Cambodia and hundreds of thousands of Vietnamese who are now settling in the country. In Webb's view, this policy dictated from Hanoi represents a clear example in history of a final solution planned to eliminate a national and ethnic identity. Webb believes that, after suffering almost total annihilation, the remaining Cambodians are now going to be absorbed.

Webb's article is a grim reminder to us all that the threat of genocide did not end with the Nazi Holocaust. Human rights violations and mass murder are constantly recurring crimes. James Webb writes:

Perhaps the ultimate lesson of the Holocaust is that we do not believe incomprehensible tragedies until they have played themselves out. And then we console ourselves with little ceremonies and empty phrases like "Never Again."

Mr. President, presently our international human rights safeguards are not sufficiently strong to prevent abuses in other countries. However, this need not be the case, since we have right at our fingertips an instrument for strenthening our advocacy of human rights. I am referring to the Genocide Convention, which has been pending before the Senate since 1949. This treaty has been vigorously analyzed in numerous hearings held over the past 33 years. Throughout these hearings, the purpose of the treaty has remained clear. The Genocide Convention would insure that nations, within the limits of their own constitutions, will attempt to prevent and punish those who try to exterminate any national, ethnic, racial, or religious group. The United States stands virtually alone among the major nations in its failure to ratify this treaty. Such inaction is inexcusable.

Let us not forget what has happened in the past, and continues to happen right now in Cambodia. I strongly urge my colleagues to ratify the Genocide Convention.

A NUCLEAR FREEZE MUST BE OUR ULTIMATE GOAL

Mr. PROXMIRE. Mr. President, this Senator intends to push for a nuclear freeze—however long it takes—but in view of the attitude of the administration, the immense influence of the military and the innate tendency that has persuaded mankind to resort to the violence of war to settle disputes from time immemorial, it may be a very long time indeed before we can win a nuclear freeze. Earlier this week, a distinguished military and arms control expert, Adm. Stansfield Turner, former Director of the CIA, told the Appropriations Committee, on which I serve, that those who call for a nuclear freeze, including the Catholic bishops, can never prevail, that the nuclear genie is out of the bottle; it will stay out of the bottle and all we can do is to try to limit its damage. While the people of this country—thank the good Lord—do not accept this grimly pessimistic view, it appears that much of the press and many of our most thoughtful leaders do accept it.

Mr. President, acceptance of the arms race as a given perpetual, everlasting fact of life means that the prospect of civilization, and very likely of mankind itself, enduring for very long is slim to nothing. This onrushing technology has literally expanded our destructive power, since the Hiroshima bomb was dropped less than 38 years ago, more than 1 million times. And it is expanding and growing every day. As it grows, the destructive power of both superpowers will be virtually absolute. As it grows, more and more nations will join the nuclear club—unstable nations run in some cases by psychotic dictators. As it grows, terrorist organizations will begin to develop their own nuclear arsenals. And given the terrible tendency toward violence and strife, as it grows, a civilization-ending nuclear war becomes certain.

But why must it grow? Why can we not try, whatever the odds may be against us, to negotiate a mutual, verifiable freeze? As savvy and realistic a man as William Colby, the former head of the CIA, calls a nuclear freeze reasonable. Sure, war has been the regular and terrible way in which mankind has settled disputes for centuries. But never before has war meant the strong prospect of mankind's extinction and the assurance that such a war would absolutely devastate the country we love and surely destroy the freedom that we so cherish within this country.

Mr. President, the latest expression of pessimism called to my attention comes from the Baltimore Sun. Yesterday, the Sun called the freeze a "sterile" approach and offered an interesting alternative that falls far short of the objective we need but does constitute a genuine advance on the administration's package. Here is what the Sun proposes:

First. Rewrite the START package in order to count warheads rather than launchers.

Second. Scrap MX as contradictory to this approach.

Third. Proceed with development of single-warhead, land-based missiles.

Fourth. Consider banning cruise missile systems that are not verifiable.

While the package constitutes an improvement, the fourth leg of this quadriad is of course very contradictory, especially coming from a paper that derides the freeze as sterile. If the cruise missile systems are not verifiable, how could we ban them without an agreement that would be worthless? Obviously, if we ban cruise missiles, and the ban is not verifiable, there would be no way for either side to verify whether they stayed banned.

Mr. President, the fact is that no arms control agreement, including the freeze, can work unless it is verified down to weapons smaller than the cruise missiles. We must insist on, and I am confident we can get, regular (and irregular) onsite inspection to verify any agreement.

Mr. President, I ask unanimous consent that the editorial from the Baltimore Sun of May 4, to which I have referred, be printed at this point in the RECORD.

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

[From the Baltimore Sun, May 4, 1983]

NUKES: A THIRD APPROACH

A third approach to arms control is making headway as the debate between the Reagan administration and the nuclear-freeze movement becomes steadily more sterile. U.S. Roman Catholic bishops, fresh from their Chicago appeal for a "halt" to the testing, production and deployment of nuclear weapons, will not be pleased. Nor will ideologues in the Reagan administration, who have effectively thwarted arms-control progress with proposals that were tailored to be unacceptable to the Russians.

We believe this third approach, though no panacea, has enough merit to render obsolete the deliberations of the bishops and the prolonged nuclear freeze debate in the House. It may also goad a stymied administration to offer new proposals to break the deadlock in Geneva negotiations.

What are some of the elements usually seen in third-approach proposals? First, they would count warheads rather than launchers in setting strategic arms limitations, Second, they would require the scrapping of two old warheads when each new warhead is deployed. Third, they would emphasize single-warhead land-based missiles rather than the multi-warhead missiles in superpower arsenals.

The third approach accepts weapons modernization as inevitable and an opportunity for strategic stability. In contrast, a nuclear freeze would prolong reliance on vulnerable multiple-warhead land-based missiles with a dangerous first-strike potential. That's because one missile with, say, 10 warheads can theoreticaly knock out 10 enemy launchers equipped with a total of 100 warheads.

The third approach runs counter to the administration call for a strategic arms reduction treaty (START) that would encourage more, not fewer, multi-warhead missiles. And it also challenges the administration's rationale for deploying MX missiles by relying, instead, on new single-warhead weapons that could be dispersed and less tempting to enemy attack.

In assessing nuclear discussions recently, the Carnegie Endowment for International Peace had this to say: "Ironically, neither of the two most politically prominent proposals—the nuclear freeze and the president's deep-cut approach—does much to solve the problem of strategic vulnerability that undermines crisis stability."

We agree. In our view, the administration should: (1) rewrite its START package in order to count warheads rather than launchers; (2) scrap MX as contradictory to this approach; (3) proceed with development of single-warhead land-based missiles, and (4) consider banning cruise missile systems that are not verifiable. The third approach puts "crisis stability" at the forefront. Instead of shying away from advanced technology, it tries to use it to prevent nuclear holocaust.

FEDERAL RESERVE BOARD—A BRIEF, COMMONSENSE APPRAISAL

Mr. PROXMIRE. Mr. President, in the 70 years the Fed has been in operation, it has generally served this country well. There has not been the hint of a suggestion of a whisper or a whiff of scandal or corruption. No one has even alleged that the Fed has followed policies to serve the interest of any of the people who run it. This constitues a real distinction when you recognize the immense power of the Fed and the enormous financial stakes involved in its operation, not to mention the relatively meager salaries paid to top Fed officials compared to the handsome reimbursements earned by those they regulate. So they have been honest.

But how about their competence? The competence of the Fed officials has constantly improved, especially in the past 25 years. After all, what constitutes the ideal background and experience for a Fed official? It should be someone who understands our financial system from training and experience. What kind of training does this call for? Obviously not a lifetime devoted to the study of medieval literature or the law, veterinary medicine or manufacturing. What you need is training—education in economics, and understanding of the history of the American economic experience, and some familiarity with the economic history of other countries. And for experience the ideal Fed official should have had a few years at least—and the more the better—working on the staff of the Fed itself to develop a thorough understanding of how the Fed works and an appreciation of the immense human resources, the skill and intelligence of the varied staff of that remarkable agency. He should also have had some experience in the private financial community, in the Treasury Department, the Council of Economic Advisers, and a highly useful added fillip might include a few years of teaching at one of the most challenging universities in the country.

Of course, I am describing the kind of background with variations that our most illustrious Fed chairmen and Governors have shared. Volcker, Burns, Martin, Wallich, Partee—how do they stack up with other officials? These have been the most competent officials anywhere in our Government, in my judgment.

It seems that of all the areas of Government operation, none, but none, has more ignorant know-it-alls than monetary policy. I rarely take a trip to Wisconsin that I do not meet some zealot—and I mean zealot—who walks in off the street in River Falls, Wis. or Oshkosh, Wis. or West Allis, Wis. and rants and raves about the Trilateral Commission, Rockefeller, Wall Street, the Federal Reserve, and the conspiracy to keep interest rates sky high. Usually he is someone who has borrowed money and been through the painful agony of running a business that hinges on the interest rate the business has to pay every month. It may well be that such a person has very strong convictions about how the Fed should stop fooling around with all kinds of mystic voodoo about international monetary flows and exchange rates, cut out the alibiing and just bring down interest rates. After all, we all want low interest rates. Let us cut the mumbo jumbo and do it. Why not? And why not appoint a board that would be weighted with small businessmen and farmers who understand from painful experience how vital low interest rates really are to the Nation's economic health? If necessary, appoint them from River Falls and Oshkosh and forget about academic credentials or whether they have been brainwashed by years in the Fed or some other part of the Federal Government. In other words, give commonsense a chance. What is wrong with that?

Answer, everything. Just as you need a competent veterinarian who understands animal anatomy when you have a disease in your herd so you need a Fed governor and chairman who understand our economy and the role of the Federal Government and the Fed itself in the economy.

So why then has the Fed done so badly in the past 70 years? Answer, it has not done badly at all. In that time we have massively increased our economic well-being—our real personal per capita income has risen by a factor of about 3. We have made this progress in spite of two immensely costly wars, and a Government which, through no fault of the Fed, has exploded in size so that today it takes five times as high a proportion of the gross national product as it did 70 years ago when the Fed began. In spite of occasional lapses, the Fed—if you allow for the necessary lag—has in general leaned against the wind, stimulating the economy in recessions and restraining it in times of inflation and in the process it has improved the Nation's stability. It has had to work under the most painful handicaps, especially in recent years with our huge deficits. Like any human institution it can certainly be improved. It has not been fallible. But generally it has done a good job and it has done it because Presidents especially in recent years have appointed competent persons to run it.

Mr. President, I yield the floor.

SENATE JOINT RESOLUTION 94—FAMILY REUNION MONTH

(Introduced by Mr. MATTINGLY, for himself, Mrs. HAWKINS, Mr. CHAFEE, Mr. DENTON, Mr. ARMSTRONG, Mr. COCHRAN, Mr. BURDICK, Mr. DANFORTH, Mr. DODD, Mr. EAST, Mr. FORD, Mr. HELMS, Mr. HOLLINGS, Mr. LUGAR, Mr. MOYNIHAN, Mr. NUNN, Mr. HEINZ, Mr. HEFLIN, Mr. LEVIN, Mr. NICKLES, Mr. KENNEDY, Mr. SPECTER, Mr. RANDOLPH, Mr. SYMMS, Mr. JEPSEN, Mr. JOHNSTON, and Mr. TOWER.)

Mr. MATTINGLY. Mr. President, the joint resolution which I am introducing today would authorize and request the President to designate the period for Mother's Day, May 8, 1983, to Father's Day, June 10, 1983, to be designated as Family Reunion Month.

Mr. President, if this week is like every other in the past couple of years, Mr. and Mrs. John Clinkscales, residents of LaGrange, Ga., will receive 10 or 15 important telephone calls from people whom they have never met. The callers will be people like themselves, ordinary citizens whose lives have been suddenly and tragically disrupted by the disappearance of one of their family members. They will be calling for advice and encouragement and the kind of counsel that people like the Clinkscales are eager to give.

Seven years ago, at age 22, the Clinkscale's only son Kyle disappeared. He had left his home to return to college 40 miles away, but he never arrived there. His car was never located, his body was never recovered, his credit cards were never used, and his bank account was never touched. Now Kyle has been declared legally deceased, but there is no evidence to support the declaration. There is instead anxiety, grief, uncertainty, and frustration. Kyle is only one of the well over a million Americans—runaways, driftaways, victims of foul play—who disappear from home every year. The Clinkscales represent a growing number of citizens whose families are broken apart as a result.

A brochure published by Find-Me, the volunteer organization founded by the Clinkscales to inform the public about the problem and to help families of the missing, describes the situation better than I could. It states:

> Missing persons are silent refugees. They outnumber the combined totals of the 1979 boat people, the 1980 Cubans, and all the other refugee groups combined. The families of the missing persons are the forgotten ones. There has been no known agency to advise, to counsel, to help them. Nor has there been any national agency to coordinate information on the missing.

In the same pamphlet, which was distributed during the time the Nation's interest was focused on the cases of missing and murdered children in Atlanta, a piercing, rhetorical question is asked. What would be happening in Atlanta now if no bodies had been found—if everything else were the same but no bodies? The answer follows: Probably nothing. There would be no publicity, there would be no concerned citizens, but the problem would

still be there. That response, Mr. President, constitutes a second tragedy.

The problem is still with us, and it will not disappear. Volunteer organizations like Find-Me exist throughout the United States. Many of them have been formed by the parents of missing children who want to help others. Each serves an important role in its own community, but none has the resources or the forum to get their message to the entire country. The Congress and the President have the attention of the American people and I believe we should direct that attention to the issue of runaways, driftaways, and other missing persons and their families.

The problem is clearly a serious one, an issue of national scope and significance. For this reason, I am introducing a resolution today which calls upon the President to designate the period from Mother's Day to Father's Day as "Family Reunion Month." Those holidays are times when Americans celebrate the importance of the family. I believe it is an appropriate time to encourage the reunion of families and the reaffirmation of family ties. This resolution recognizes our Nation's dependence upon strong families. Further, it encourages runaways and driftaways to utilize the networks which currently exist, largely through volunteer organizations, to reestablish contact with their families and encourages families to honor the individual's effort to communicate.

I call upon my colleagues to join with me in helping call attention to the national tragedy of broken families and to encourage the reunion of estranged members. I believe the strength of our country will be enhanced by such action.

Mr. President, I ask unanimous consent that the joint resolution be held at the desk until the close of business today pending further disposition. My hope is that the leadership will have cleared this resolution so it can be placed upon the calendar.

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

Mr. MATTINGLY. Mr. President, I ask unanimous consent that the joint resolution be printed in the RECORD.

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

S.J. RES. —

Whereas the family is and has traditionally been recognized as the foundation of our society;

Whereas thousands of families in our nation experience sorrow each year because of runaway, missing, or estranged members;

Whereas organizations exist which can assist families and missing members in establishing contact with one another;

Whereas estranged and missing individuals should be encouraged to use the services furnished by these organizations or to contact their families directly;

Whereas families should be encouraged to honor the individual member's efforts to communicate and to respect the individual's right to privacy;

Whereas the strength of our nation can be increased through the reunion of families and the reaffirmation of family ties; and

Whereas Mother's Day and Father's Day are times when our citizens celebrate the importance of families: Now, therefore, be it

Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled, That the President of the United States is authorized and requested to issue a proclamation designating Mother's Day, May 8, 1983, to Father's Day, June 19, 1983, as "Family Reunion Month", and calling upon the people of the United States to observe the day with appropriate programs and activities.

RESTORATION OF THE WEST FRONT OF THE CAPITOL

Mr. MOYNIHAN. Mr. President, there will soon be before the Senate the question of what to do about the west front of this building. There is but one answer we can give, if we would be faithful to our history and true to our posterity: Restore it.

Now, during the past two decades the Government has become much involved in supporting the arts—as well it should have. But of all the arts it is only architecture that Government must patronize, cannot avoid patronizing. And it has been so since the earliest civilization found need of a common meeting place.

More than we care to realize, what we build tells future generations the sort of people we are. Next to the social edifice of our Constitution and Bill of Rights, the natural and man-made environments we preserve, create—or destroy—will be the most important legacy we leave behind.

The Capitol Building is the architectural symbol of American democracy. We should no more frivolously tamper with it than we would with the Constitution.

I am aware that the Capitol as we know it is a felicitous accretion of separate elements. Some would reason from that, apparently, that each succeeding generation may add to the building at its pleasure.

But the various pieces that now comprise this magnificent composition were all designed in the course of one-half century's work. The architects, and indeed, public sensibility in that period achieved a consensus on matters of public architecture. The Capitol's architects who collaborated indirectly over those decades were educated in a neoclassical architectural vocabulary. This building attests to their fluency in that vocabulary.

It does not seem to me that the west front is the most delightful product of their labors. Perhaps the central colonnade should have been widened after the larger dome was erected during the Civil War. It was not. Perhaps a pediment should have been placed above the colonnade. That was not done, either.

As Members of this body know, I am much concerned with matters architectural. I wrote the Federal Government's first statement of guiding architectural principles 20 years ago for President Kennedy, principles which are still in use. I have taken on the task of trying to improve the Government's public buildings program. And I have steadfastly supported the historic preservation movement in this country, as it has burgeoned over the last decade.

I have had many occasions to remark that we must not preserve buildings out of a fear that we have lost the ability to create things of grace and beauty. But there are certain things we simply do not do any more, and certain sorts of buildings we simply will not and cannot duplicate.

I wish to preserve things as an example of what we were and will be, not what we were and no longer can be.

And so with the Capitol. The Congress surely has all the office space the Members and their too large staffs can need. At the turn of the century we had not a single House or Senate Office Building. The Members met and worked in the Capitol Building. Now each House has three immense office buildings and we have converted several nearby residences into annexes, for good measure.

So let us dispose of any argument that we need more space in the Capitol. If some of our activities that must be carried on within the Capitol cannot now be accommodated, let us resolve to move out of the building those activities that can be carried on elsewhere.

But let us get on with the task of making this building safe, secure, and esthetically sound.

On December 2, 1980, I made a speech to the Senate alerting it to the danger which we were courting by allowing President Reagan's inauguration to take place under the deteriorated west front. I recalled from my naval training that the proper station for the second in command during combat is anywhere the captain is not, and I suggested Vice President BUSH be sworn in at the Library of Congress, a safe distance from the Capitol.

It had then been 3 years since we established a special commission to resolve the west front question. That Commission has now finished its work and, to no one's surprise, been unable to decide the matter.

Which leaves it to the full Senate and House. Well and good. The time for contemplating this rebuilding scheme and that expansion plan is over. If we still have the capacity to do anything boldly and directly, to carry out our duties in the spirit of our past

but with a care for our future, we will vote this month, this week if possible, to restore the west front of the Capitol in place.

TRIBUTE TO THE CHEMISTRY DEPARTMENT OF COLUMBIA UNIVERSITY AND TO PROF. NICHOLAS J. TURRO

Mr. MOYNIHAN. Mr. President, I rise to pay tribute today to the Chemistry Department of Columbia University and to offer my congratulations to Prof. Nicholas J. Turro, the William P. Schweitzer professor of chemistry at Columbia University. Dr. Turro is one of five scientists who has just received the prestigious Ernest Orlando Lawrence Memorial Award, presented by the U.S. Department of Energy.

My reason for bringing this outstanding chemistry department to your attention is that, in my view, the United States, in the areas of scientific and technological innovation, faces a set of challenges which affect both our immediate and long-range wellbeing as a nation—our prosperity, security, and quality of life. Some of these challenges arise from foreign competition in high-technology industries. Other urgent challenges revolve around achieving a greater degree of energy independence, a task that relies heavily on American scientific and technological expertise.

Columbia University has always responded to the great research and development needs of the Nation—in defense, energy, health, and a host of related areas. The university's chemistry department is committed to the kinds of basic research—especially in organic and laser chemistry—which are critical to continued American leadership in the chemical and petrochemical industries. At present, more than half of the research activity now underway in the department bears upon the production, use, and conservation of energy in these and other energy-intensive industries.

Professor Turro exemplifies this department's excellence. The Lawrence Memorial Award that he has received is presented annually to American scientists "who are early in their careers and who have made recent meritorious contributions to the development, use, or control of atomic energy." The award was established in 1959 in memory of Ernest O. Lawrence, inventor of the cyclotron and director of two California laboratories that bear his name at Berkeley and Livermore. The winners may be researchers in any field of science related to atomic energy, including medicine and engineering. Each receives a medal, a citation, and $5,000. The awards were presented by Secretary of Energy Donald Paul Hodel on April 7 in Washington, D.C.

Dr. Turro, 44, is chairman of the Columbia Chemistry Department. The Lawrence Award recognizes his pioneering work in photochemistry, specifically his use of light to enhance chemical reactions ranging from isotope separation to the creation of certain polymers.

A native of Middletown, Conn., Dr. Turro received the B.A. degree summa cum laude from Wesleyan University in 1960 and the Ph. D. in chemistry from the California Institute of Technology in 1963. He joined the Columbia faculty as an instructor in 1964. Dr. Turro was appointed full professor in 1969 and Schweitzer professor in 1982. He was elected chairman of the chemistry department in 1981. That same year Dr. Turro was elected a member of the National Academy of Sciences, one of many honors he has received.

Columbia University has consistently maintained a distinguished faculty. Other Columbia faculty members who have won the Lawrence Prize are physics Profs. Herbert Goldstein and James Rainwater. In addition, 40 of Columbia's faculty, former faculty, or alumni have been honored with the Nobel Prize; last year, Columbia led the Nation in the number of prestigious Guggenheim fellowships awarded to its faculty; and many of its scholars hold top honors in their respective disciplines, including several who are members of the National Academy of Sciences. It is scholars such as these who hold the key, in large part, to our future technological progress and the growth of the American economy.

REPORT OF THE NATIONAL COMMISSION ON EXCELLENCE IN EDUCATION

Mr. HATCH. Mr. President, since last week when the National Commission on Excellence in Education issued its provocative report titled "A Nation at Risk: The Imperative for Education Reform" my office, as well as the offices of my colleagues, has been inundated with letters and calls from constituents all over the country requesting copies of the report or asking specific questions about items from the press coverage.

Upon the issuance of the report, my statement to the press commended the Commission and particularly its distinguished chairman, David Pierpont Gardner, for their frank and forthright statement of the problems and for a report that could be read and understood by the average citizen at the local level who must be the mover and the shaker if change is to take place.

Although the report gave a rather dismal description of the condition of public education in our country, it recognized that as the most advanced democracy in Western civilization, we have the resources to correct our shortfalls in education if we but redirect our energies to do so.

In plain and simple language the report clearly told us of the nadir of education allowed by citizens at the local level who control and elect the school boards who establish policy for the 16,000 school districts in this country, each of which derives its constitutional authority from State legislatures.

The report did not delve into some of the causes for the problems of the schools that are of concern to me and to others in this body such as legislative mandates requiring specific subject matter offerings like driver education, sex education, and peer relationships to be in cafeteria-type curriculums in local schools thus leaving little time in the day for students to elect more intellectually challenging subjects.

The report also artfully avoided asking such questions as how much, if any, has hardball union bargaining tactics engaged in by some teachers—often more concerned with teacher rights and benefit packages than curriculum improvement—contributed to mediocrity in education. Most such bargaining agreements require taxpayers to pay the poorest of the teachers the same as the best.

Although I certainly agree that in general teacher salaries are too low, it should also be recognized that teacher benefit packages where they exist are usually tax exempt and can make the actual or real income of teachers covered by them a very different story when comparing teacher salaries with other professionals who pay for their own retirement, health, or life insurance, or other benefits teachers often receive at taxpayer expense.

In any event, Mr. President, this is a time for serious soul searching by every school patron in each of the 16,000 local school districts in this country. It is a time when all of us who send our youngsters to the local public schools need to be asking ourselves when are we going to become actively engaged in helping to determine local school board policy. If we think voter turnout is poor in national elections, compared with local school elections, the national or State elections look great. I am told that in school board conducted elections in many jurisdictions, whether it be to vote on the school district budget or on new members for the school board, a 20-percent turnout of eligible voters could be considered phenomenal. I would hope the Commission's report will help reduce patron apathy in local school affairs where often more voters turn out for a single athletic event than participate in school board policy setting over an entire year.

Mr. President, there is widespread interest in this report and there is also

apparently an eagerness in the American public to learn of its content with a view toward implementing its recommendations at the State and local levels where implementation must take place if the necessary improvements are to be made. Because the supply of copies of the report for distribution through normal channels is limited, and in order for the report to have the widest distribution possible, I ask unanimous consent that the full text of the report be printed in the RECORD.

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

A NATION AT RISK: THE IMPERATIVE FOR EDUCATIONAL REFORM

(By the National Commission on Excellence in Education)

MEMBERS OF THE NATIONAL COMMISSION ON EXCELLENCE IN EDUCATION

David P. Gardner (Chair), President, University of Utah and President-Elect, University of California, Salt Lake City, Utah.

Yvonne W. Larsen (Vice-Chair), Immediate Past-President, San Diego City School Board, San Diego, Calif.

William O. Baker, Chairman of the Board (Retired), Bell Telephone Laboratories, Murray Hill, N.J.

Anne Campbell, Former Commissioner of Education, State of Nebraska, Lincoln, Nebr.

Emeral A. Crosby, Principal, Northern High School, Detroit, Mich.

Charles A. Foster, Jr., Immediate Past-President, Foundation for Teaching Economics, San Francisco, Calif.

Norman C. Francis, President, Xavier University of Louisiana, New Orleans, La.

A. Bartlett Giamatti, President, Yale University, New Haven, Conn.

Shirley Gordon, President, Highline Community College, Midway, Wash.

Robert V. Haderlein, Immediate Past-President, National School Boards Association, Girard, Kans.

Gerald Holton, Mallinckrodt Professor of Physics and Professor of the History of Science, Harvard University, Cambridge, Mass.

Annette Y. Kirk, Kirk Associates, Mecosta, Mich.

Margaret S. Marston, Member, Virginia State Board of Education, Arlington, Va.

Albert H. Quie, Former Governor, State of Minnesota, St. Paul, Minn.

Francisco D. Sanchez, Jr., Superintendent of Schools, Albuquerque Public Schools, Albuquerque, N. Mex.

Glenn T. Seaborg, University Professor of Chemistry and Nobel Laureate, University of California, Berkeley, Calif.

Jay Sommer, National Teacher of the Year, 1981-82, Foreign Language Department, New Rochelle High School, New Rochelle, N.Y.

Richard Wallace, Principal, Lutheran High School East, Cleveland Heights, Ohio.

A NATION AT RISK

Our Nation is at risk. Our once unchallenged preeminence in commerce, industry, science, and technological innovation is being overtaken by competitors throughout the world. This report is concerned with only one of the many causes and dimensions of the problem, but it is the one that undergirds American prosperity, security, and civility. We report to the American people that while we can take justifiable pride in what our schools and colleges have historically accomplished and contributed to the United States and the well-being of its people, the educational foundations of our society are presently being eroded by a rising tide of mediocrity that threatens our very future as a Nation and a people. What was unimaginable a generation ago has begun to occur—others are matching and surpassing our educational attainments.

If an unfriendly foreign power had attempted to impose on America the mediocre educational performance that exists today, we might well have viewed it as an act of war. As it stands, we have allowed this to happen to ourselves. We have even squandered the gains in student achievement made in the wake of the Sputnik challenge. Moreover, we have dismantled essential support systems which helped make those gains possible. We have, in effect, been committing an act of unthinking, unilateral educational disarmament.

Our society and its educational institutions seem to have lost sight of the basic purposes of schooling, and of the high expectations and disciplined effort needed to attain them. This report, the result of 18 months of study, seeks to generate reform of our educational system in fundamental ways and to renew the Nation's commitment to schools and colleges of high quality throughout the length and breadth of our land.

That we have compromised this commitment is, upon reflection, hardly surprising, given the multitude of often conflicting demands we have placed on our Nation's schools and colleges. They are routinely called on to provide solutions to personal, social, and political problems that the home and other institutions either will not or cannot resolve. We must understand that these demands on our schools and colleges often exact an educational cost as well as a financial one.

On the occasion of the Commission's first meeting, President Reagan noted the central importance of education in American life when he said: "Certainly there are few areas of American life as important to our society, to our people, and to our families as our schools and colleges." This report, therefore, is as much an open letter to the American people as it is a report to the Secretary of Education. We are confident that the American people, properly informed, will do what is right for their children and for the generations to come.

History is not kind to idlers. The time is long past when America's destiny was assured simply by an abundance of natural resources and inexhaustible human enthusiasm, and by our relative isolation from the malignant problems of older civilizations. The world is indeed one global village. We live among determined, well-educated, and strongly motivated competitors. We compete with them for international standing and markets, not only with products but also with the ideas of our laboratories and neighborhood workshops. America's position in the world may once have been reasonably secure with only a few exceptionally well-trained men and women. It is no longer.

The risk is not only that the Japanese make automobiles more efficiently than Americans and have government subsidies for development and export. It is not just that the South Koreans recently built the world's most efficient steel mill, or that American machine tools, once the pride of the world, are being displaced by German products. It is also that these developments signify a redistribution of trained capability throughout the globe. Knowledge, learning, information, and skilled intelligence are the new raw materials of international commerce and are today spreading throughout the world as vigorously as miracle drugs, synthetic fertilizers, and blue jeans did earlier. If only to keep and improve on the slim competitive edge we still retain in world markets, we must rededicate ourselves to the reform of our educational system for the benefit of all—old and young alike, affluent and poor, majority and minority. Learning is the indispensible investment required for success in the "information age" we are entering.

Our concern, however, goes well beyond matters such as industry and commerce. It also includes the intellectual, moral, and spiritual strengths of our people which knit together the very fabric of our society. The people of the United States need to know that individuals in our society who do not possess the levels of skill, literacy, and training essential to this new era will be effectively disenfranchised, not simply from the material rewards that accompany competent performance, but also from the chance to participate fully in our national life. A high level of shared education is essential to a free, democratic society and to the fostering of a common culture, especially in a country that prides itself on pluralism and individual freedom.

For our country to function, citizens must be able to reach some common understandings on complex issues, often on short notice and on the basis of conflicting or incomplete evidence. Education helps form these common understandings, a point Thomas Jefferson made long ago in his justly famous dictum:

"I know no safe depository of the ultimate powers of the society but the people themselves; and if we think them not enlightened enough to exercise their control with a wholesome discretion, the remedy is not to take it from them but to inform their discretion."

Part of what is at risk is the promise first made on this continent: All, regardless of race or class or economic status, are entitled to a fair chance and to the tools for developing their individual powers of mind and spirit to the utmost. This promise means that all children by virtue of their own efforts, competently guided, can hope to attain the mature and informed judgment needed to secure gainful employment, and to manage their own lives, thereby serving not only their own interests but also the progress of society itself.

Indicators of the risk

The educational dimensions of the risk before us have been amply documented in testimony received by the Commission. For example:

International comparisons of student achievement, completed a decade ago, reveal that on 19 academic tests American students were never first or second and, in comparison with other industrialized nations, were last seven times.

Some 23 million American adults are functionally illiterate by the simplest tests of everyday reading, writing, and comprehension.

About 13 percent of all 17-year-olds in the United States can be considered functionally illiterate. Functional illiteracy among minority youth may run as high as 40 percent.

Average achievement of high school students on most standardized tests is now lower than 6 years ago when Sputnik was launched.

Over half the population of gifted students do not match their tested ability with comparable achievement in school.

The College Board's Scholastic Aptitude Tests (SAT) demonstrate a virtually unbroken decline from 1963 to 1980. Average verbal scores fell over 50 points and average mathematics scores dropped nearly 40 points.

College Board achievement tests also reveal consistent declines in recent years in such subjects as physics and English.

Both the number and proportion of students demonstrating superior achievement on the SAT's (i.e., those with scores of 650 or higher) have dramatically declined.

Many 17-year-olds do not possess the "higher order" intellectual skills we should expect of them. Nearly 40 percent cannot draw inferences from written material; only one-fifth can write a persuasive essay; and only one-third can solve a mathematics problem requiring several steps.

There was a steady decline in science achievement scores of U.S. 17-year-olds as measured by national assessments of science in 1969, 1973, and 1977.

Between 1975 and 1980, remedial mathematics courses in public 4-year colleges increased by 72 percent and now constitute one-quarter of all mathematics courses taught in those institutions.

Average tested achievement of students graduating from college is also lower.

Business and military leaders complain that they are required to spend millions of dollars on costly remedial education and training programs in such basic skills as reading, writing, spelling, and computation. The Department of the Navy, for example, reported to the Commission that one-quarter of its recent recruits cannot read at the ninth grade level, the minimum needed simply to understand written safety instructions. Without remedial work they cannot even begin, much less complete, the sophisticated training essential in much of the modern military.

These deficiencies come at a time when the demand for highly skilled workers in new fields is accelerating rapidly. For example:

Computers and computer-controlled equipment are penetrating every aspect of our lives—homes, factories, and offices.

One estimate indicates that by the turn of the century millions of jobs will involve laser technology and robotics.

Technology is radically transforming a host of other occupations. They include health care, medical science, energy production, food processing, construction, and the building, repair, and maintenance of sophisticated scientific, educational, military, and industrial equipment.

Analysts examining these indicators of student performance and the demands for new skills have made some chilling observations. Educational researcher Paul Hurd concluded at the end of a thorough national survey of student achievement that within the context of the modern scientific revolution "We are raising a new generation of Americans that is scientifically and technologically illiterate." In a similar vein, John Slaughter, a former Director of the National Science Foundation, warned of "a growing chasm between a small scientific and technological elite and a citizenry ill-informed, indeed uninformed, on issues with a science component."

But the problem does not stop there, nor do all observers see it the same way. Some worry that schools may emphasize such rudiments as reading and computation at the expense of other essential skills such as comprehension, analysis, solving problems, and drawing conclusions. Still others are concerned that an over-emphasis on technical and occupational skills will leave little time for studying the arts and humanities that so enrich daily life, help maintain civility, and develop a sense of community. Knowledge of the humanities, they maintain, must be harnessed to science and technology if the latter are to remain creative and humane, just as the humanities need to be informed by science and technology if they are to remain relevant to the human condition. Another analyst, Paul Copperman, has drawn a sobering conclusion. Until now, he has noted:

"Each generation of Americans has outstripped its parents in education, in literacy, and in economic attainment. For the first time in the history of our country, the educational skills of one generation will not surpass, will not equal, will not even approach, those of their parents."

It is important, of course, to recognize that the average citizen today is better educated and more knowledgeable than the average citizen of a generation ago—more literate, and exposed to more mathematics, literature, and science. The positive impact of this fact on the well-being of our country and the lives of our people cannot be overstated. Nevertheless, the average graduate of our schools and colleges today is not as well educated as the average graduate of 25 or 35 years ago, when a much smaller proportion of our population completed high school and college. The negative impact of this fact likewise cannot be overstated.

Hope and frustration

Statistics and their interpretation by experts show only the surface dimension of the difficulties we face. Beneath them lies a tension between hope and frustation that characterizes current attitudes about education at every level.

We have heard the voices of high school and college students, school board members, and teachers; of leaders of industry, minority groups, and higher education; of parents and State officials. We could hear the hope evident in their commitment to quality education and in their descriptions of outstanding programs and schools. We could also hear the intensity of their frustration, a growing impatience with shoddiness in many walks of American life, and the complaint that this shoddiness is too often reflected in our schools and colleges. Their frustration threatens to over overwhelm their hope.

What lies behind this emerging national sense of frustration can be described as both a dimming of personal expectations and the fear of losing a shared vision for America.

On the personal level the student, the parent, and the caring teacher all perceive that a basic promise is not being kept. More and more young people emerge from high school ready neither for college nor for work. This predicament becomes more acute as the knowledge base continues its rapid expansion, the number of traditional jobs shrinks, and new jobs demand greater sophistication and preparation.

On a broader scale, we sense that the undertone of frustration has significant political implications, for it cuts across ages, generations, races, and political and economic groups. We have come to understand that the public will demand that educational and political leaders act forcefully and effectively on these issues. Indeed, such demands have already appeared and could well become a unifying national preoccupation. This unity, however, can be achieved only if we avoid the unproductive tendency of some to search for scapegoats among the victims, such as the beleaguered teachers.

On the positive side is the significant movement by political and educational leaders to search for solutions—so far centering largely on the nearly desperate need for increased support for the teaching of mathematics and science. This movement is but a start on what we believe is a larger and more educationally encompassing need to improve teaching and learning in fields such as English, history, geography, economics, and foreign languages. We believe this movement must be broadened and directed toward reform and excellence throughout education.

Excellence in education

We define "excellence" to mean several related things. At the level of the individual learner, it means performing on the boundary of individual ability in ways that test and push back personal limits, in school and in the workplace. Excellence characterizes a school or college that sets high expectations and goals for all learners, then tries in every way possible to help students reach them. Excellence characterizes a society that has adopted these policies, for it will then be prepared through the education and skill of its people to respond to the challenges of a rapidly changing world. Our Nation's people and its schools and colleges must be committed to achieving excellence in all these senses.

We do not believe that a public commitment to excellence and educational reform must be made at the expense of a strong, public commitment to the equitable treatment of our diverse population. The twin goals of equity and high-quality schooling have profound and practical meaning for our economy and society, and we cannot permit one to yield to the other either in principle or in practice.

To do so would deny young people their chance to learn and live according to their aspirations and abilities. It would also lead to a generalized accommodation to mediocrity in our society on the one hand or the creation of an undemocratic elitism on the other.

Our goal must be to develop the talents of all to their fullest. Attaining that goal requires that we expect and assist all students to work to the limits of their capabilities. We should expect schools to have genuinely high standards rather than minimum ones, and parents to support and encourage their children to make the most of their talents and abilities.

The search for solutions to our educational problems must also include a commitment to life-long learning. The task of rebuilding our system of learning is enormous and must be properly understood and taken seriously: Although a million and a half new workers enter the economy each year from our schools and colleges, the adults working today will still make up about 75 percent of the workforce in the year 2000. These workers, and new entrants into the workforce, will need further education and retraining if they—and we as a Nation—are to thrive and prosper.

The Learning Society

In a world of ever-accelerating competition and change in the conditions of the workplace, of ever-greater danger, and of ever-larger opportunities for those prepared to meet them, educational reform should focus on the goal of creating a Learning Society. At the heart of such a society is the commitment to a set of values and to a system of education that affords all members the opportunity to stretch their minds to full capacity, from early childhood through adulthood, learning more as the world itself changes. Such a society has as a basic foundation the idea that education is important not only because of what it contributes to one's career goals but also because of the value it adds to the general quality of one's life. Also at the heart of the Learning Society are educational opportunities extending far beyond the traditional institutions of learning, our schools and colleges. They extend into homes and workplaces; into libraries, art galleries, museums, and science centers; indeed, into every place where the individual can develop and mature in work and life. In our view, formal schooling in youth is the essential foundation for learning throughout one's life. But without life-long learning, one's skills will become rapidly dated.

In contrast to the ideal of the Learning Society, however, we find that for too many people education means doing the minimum work necessary for the moment, then coasting through life on what may have been learned in its first quarter. But this should not surprise us because we tend to express our educational standards and expectations largely in terms of "minimum requirements." And where there should be a coherent continuum of learning, we have none, but instead an often incoherent, outdated, patchwork quilt. Many individuals, sometimes heroic, examples of schools and colleges of great merit do exist. Our findings and testimony confirm the vitality of a number of notable schools and programs, but their very distinction stands out against a vast mass shaped by tensions and pressures that inhibit systematic academic and vocational achievement for the majority of students. In some metropolitan areas basic literacy has become the goal rather than the starting point. In some colleges maintaining enrollments is of greater day-to-day concern than maintaining rigorous academic standards. And the ideal of academic excellence as the primary goal of schooling seems to be fading across the board in American education.

Thus, we issue this call to all who care about America and its future: to parents and students; to teachers, administrators, and school board members; to colleges and industry; to union members and military leaders; to governors and State legislators; to the President; to members of Congress and other public officials; to members of learned and scientific societies; to the print and electronic media; to concerned citizens everywhere. America is at risk.

We are confident that America can address this risk. If the tasks we set forth are initiated now and our recommendations are fully realized over the next several years, we can expect reform of our Nation's schools, colleges, and universities. This would also reverse the current declining trend—a trend that stems more from weakness of purpose, confusion of vision, underuse of talent, and lack of leadership, than from conditions beyond our control.

The tools at hand

It is our conviction that the essential raw materials needed to reform our educational system are waiting to be mobilized through effective leadership:

The natural abilities of the young that cry out to be developed and the undiminished concern of parents for the well-being of their children;

The commitment of the Nation to high retention rates in schools and colleges and to full access to education for all;

The persistent and authentic American dream that superior performance can raise one's state in life and shape one's own future;

The dedication, against all odds, that keeps teachers serving in schools and colleges, even as the rewards diminish;

Our better understanding of learning and teaching and the implications of this knowledge for school practice, and the numerous examples of local success as a result of superior effort and effective dissemination;

The ingenuity of our policymakers, scientists, State and local educators, and scholars in formulating solutions once problems are better understood;

The traditional belief that paying for education is an investment in ever-renewable human resources that are more durable and flexible than capital plant and equipment, and the availability in this country of sufficient financial means to invest in education;

The equally sound tradition, from the Northwest Ordinance of 1787 until today, that the Federal government should supplement State, local, and other resources to foster key national educational goals; and

The voluntary efforts of individuals, businesses, and parent and civic groups to cooperate in strengthening educational programs.

These raw materials, combined with the unparalleled array of educational organizations in America, offer us the possibility to create a Learning Society, in which public, private, and parochial schools; colleges and universities; vocational and technical schools and institutes; libraries; science centers, museums, and other cultural institutions; and corporate training and retraining programs offer opportunities and choices for all to learn throughout life.

The public's commitment

Of all the tools at hand, the public's support for education is the most powerful. In a message to a National Academy of Sciences meeting in May, 1982, President Reagan commented on this fact when he said:

"This public awareness—and I hope public action—is long overdue. . . . This country was built on American respect for education. . . . Our challenge now is to create a resurgence of that thirst for education that typifies our Nation's history."

The most recent (1982) Gallup Poll of the Public's Attitudes Toward the Public Schools strongly supported a theme heard during our hearings: People are steadfast in their belief that education is the major foundation for the future strength of this country. They even considered education more important than developing the best industrial system or the strongest military force, perhaps because they understood education as the cornerstone of both. They also held that education is "extremely important" to one's future success, and that public education should be the top priority for additional Federal funds. Education occupied first place among 12 funding categories considered in the survey—above health care, welfare, and military defense, with 55 percent selecting public education as one of their first three choices. Very clearly, the public understands the primary importance of education as the foundation for a satisfying life, an enlightened and civil society, a strong economy, and a secure Nation.

At the same time, the public has no patience with undemanding and superfluous high school offerings. In another survey, more than 75 percent of all those questioned believed every student planning to go to college should take 4 years of mathematics, English, history/U.S. government, and science, with more than 50 percent adding 2 years each of a foreign language and economics or business. The public even supports requiring much of this curriculum for students who do not plan to go to college. These standards far exceed the strictest high school graduation requirements of any State today, and they also exceed the admission standards of all but a handful of our most selective colleges and universities.

Another dimension of the public's support offers the prospect of constructive reform. The best term to characterize it may simply be the honorable work "patriotism." Citizens know intuitively what some of the best economists have shown in their research, that education is one of the chief engines of a society's material well-being. They know, too, that education is the common bond of a pluralistic society and helps tie us to other cultures around the globe. Citizens also know in their bones that the safety of the United States depends principally on the wit, skill, and spirit of a self-confident people, today and tomorrow. It is, therefore, essential—especially in a period of long-term decline in educational achievement—for government at all levels to affirm its responsibility for nurturing the Nation's intellectual capital.

And perhaps most important, citizens know and believe that the meaning of America to the rest of the world must be something better than it seems to many today. Americans like to think of this Nation as the preeminent country for generating the great ideas and material benefits for all mankind. The citizen is dismayed at a steady 15-year decline in industrial productivity, as one great American industry after another falls to world competition. The citizen wants the country to act on the behalf, expressed in our hearings and by the large majority in the Gallup Poll, that education should be at the top of the Nation's agenda.

Findings

We conclude that declines in educational performance are in large part the result of disturbing inadequacies in the way the educational process itself is often conducted. The findings that follow, culled from a much more extensive list, reflect four important aspects of the educational process: content, expectations, time, and teaching.

Findings regarding content

By content we mean the very "stuff" of education, the curriculum. Because of our concern about the curriculum, the Commission examined patterns of courses high school students took in 1964–69 compared with course patterns in 1976–81. On the basis of these analyses we conclude:

Secondary school curricula have been homogenized, diluted, and diffused to the point that they no longer have a central purpose. In effect, we have a cafeteria-style curriculum in which the appetizers and desserts can easily be mistaken for the main course. Students have migrated from vocational and college preparatory programs to

"general track" courses in large numbers. The proportion of students taking a general program of study has increased from 12 percent in 1964 to 42 percent in 1979.

This curricular smorgasbord, combined with extensive student choice, explains a great deal about where we find ourselves today. We offer intermediate algebra, but only 31 percent of our recent high school graduates complete it; we offer French I, but only 13 percent complete it; and we offer geography, but only 16 percent complete it. Calculus is available in schools enrolling about 60 percent of all students, but only 6 percent of all students complete it.

Twenty-five percent of the credits earned by general track high school students are in physical and health education, work experience outside the school, remedial English and mathematics, and personal service and development courses, such as training for adulthood and marriage.

Findings regarding expectations

We define expectations in terms of the level of knowledge, abilities, and skills school and college graduates should possess. They also refer to the time, hard work, behavior, self-discipline, and motivation that are essential for high student achievement. Such expectations are expressed to students in several different ways:

by grades, which reflect the degree to which students demonstrate their mastery of subject matter;

through high school and college graduation requirements, which tell students which subjects are most important;

by the presence or absence of rigorous examinations requiring students to demonstrate their mastery of content and skill before receiving a diploma or a degree;

by college admissions requirements, which reinforce high school standards; and

by the difficulty of the subject matter students confront in their texts and assigned readings.

Our analyses in each of these areas indicate notable deficiencies:

The amount of homework for high school seniors has decreased (two-thirds report less than 1 hour a night) and grades have risen as average student achievement has been declining.

In many other industrialized nations, courses in mathematics (other than arithmetic or general mathematics), biology, chemistry, physics, and geography start in grade 6 and are required of all students. The time spent on these subjects, based on class hours, is about three times that spent by even the most science-oriented U.S. students, i.e., those who select 4 years of science and mathematics in secondary school.

A 1980 State-by-State survey of high school diploma requirements reveals that only eight States require high schools to offer foreign language instruction, but none requires students to take the courses. Thirty-five States require only 1 year of mathematics, and 36 require only 1 year of science for a diploma.

In 13 States, 50 percent or more of the units required for high school graduation may be electives chosen by the student. Given this freedom to choose the substance of half or more of their education, many students opt for less demanding personal service courses, such as bachelor living.

"Minimum competency" examinations (now required in 37 States) fall short of what is needed, as the "minimum" tends to become the "maximum," thus lowering educational standards for all.

One-fifth of all 4-year public colleges in the United States must accept every high school graduate within the State regardless of program followed or grades, thereby serving notice to high school students that they can expect to attend college even if they do not follow a demaning course of study in high school or perform well.

About 23 percent of our more selective colleges and universities reported that their general level of selectivity declined during the 1970s, and 29 percent reported reducing the number of specific high school courses required for admission (usually by dropping foreign language requirements, which are now specified as a condition for admission by only one-fifth of our institutions of higher education).

Too few experienced teachers and scholars are involved in writing textbooks. During the past decade or so a large number of texts have been "written down" by their publishers to ever-lower reading levels in response to perceived market demands.

A recent study by Education Products Information Exchange revealed that a majority of students were able to master 80 percent of the material in some of their subject-matter texts before they had even opened the books. Many books do not challenge the students to whom they are assigned.

Expenditures for textbooks and other instructional materials have declined by 50 percent over the past 17 years. While some recommend a level of spending on texts of between 5 and 10 percent of the operating costs of schools, the budgets for basal texts and related materials have been dropping during the past decade and half to only 0.7 percent today.

Findings regarding time

Evidence presented to the Commission demonstrates three disturbing facts about the use that American schools and students make of time: (1) compared to other nations, American students spend much less time on school work; (2) time spent in the classroom and on homework is often used ineffectively; and (3) schools are not doing enough to help students develop either the study skills required to use time well or the willingness to spend more time on school work.

In England and other industrialized countries, it is not unusual for academic high school students to spend 8 hours a day at school, 220 days per year. In the United States, by contrast, the typical school day lasts 6 hours and the school year is 180 days.

In many schools, the time spent learning how to cook an drive counts as much toward a high school diploma as the time spent studying mathematics, English, chemistry, U.S. history, or biology.

A study of the school week in the United States found that some schools provided students only 17 hours of academic instruction during the week, and the average school provided about 22.

A California study of individual classrooms found that because of poor management of classroom time, some elementary students received only one-fifth of the instruction others received in reading comprehension.

In most schools, the teaching of study skills is haphazard and unplanned. Consequently, many students complete high school and enter college without disciplined and systematic study habits.

Findings regarding teaching

The Commission found that not enough of the academically able students are being attracted to teaching; that teacher preparation programs need substantial improvement; that the professional working life of teachers is on the whole unacceptable; and that a serious shortage of teachers exists in key fields.

Too many teachers are being drawn from the bottom quarter of graduating high school and college students.

The teacher preparation curriculum is weighted heavily with courses in "educational methods" at the expense of courses in subjects to be taught. A survey of 1,350 institutions training teachers indicated that 41 percent of the time of elementary school teacher candidates is spent in education courses, which reduces the amount of time available for subject matter courses.

The average salary after 12 years of teaching is only $17,000 per year, and many teachers are required to supplement their income with part-time and summer employment. In addition, individual teachers have little influence in such critical professional decisions as, for example, textbook selection.

Despite widespread publicity about an overpopulation of teachers, severe shortages of certain kinds of teachers exist: in the fields of mathematics, science, and foreign languages; and among specialists in education for gifted and talented, language minority, and handicapped students.

The shortage of teachers in mathematics and science is particularly severe. A 1981 survey of 45 States revealed shortages of mathematics teachers in 43 States, critical shortages of earth sciences teachers in 33 States, and of physics teachers everywhere.

Half of the newly employed mathematics, science, and English teachers are not qualified to teach these subjects; fewer than one-third of U.S. high schools offer physics taught by qualified teachers.

Recommendations

In light of the urgent need for improvement, both immediate and long term, this Commission has agreed on a set of recommendations that the American people can begin to act on now, that can be implemented over the next several years, and that promise lasting reform. The topics are familiar; there is little mystery about what we believe must be done. Many schools, districts, and States are already giving serious and constructive attention to these matters, even though their plans may differ from our recommendations in some details.

We wish to note that we refer to public, private, and parochial schools and colleges alike. All are valuable national resources. Examples of actions similar to those recommended below can be found in each of them.

We must emphasize that the variety of student aspirations, abilities, and preparation requires that appropriate content be available to satisfy diverse needs. Attention must be directed to both the nature of the content available and to the needs of particular learners. The most gifted students, for example, may need a curriculum enriched and accelerated beyond even the needs of other students of high ability. Similarly, educationally disadvantaged students may require special curriculum materials, smaller classes, or individual tutoring to help them master the material presented. Nevertheless, there remains a common expectation: We must demand the best effort and performance from all students, whether

they are gifted or less able, affluent, or disadvantaged, whether destined for college, the farm, or industry.

Our recommendations are based on the beliefs that everyone can learn, that everyone is born with an urge to learn which can be nurtured, that a solid high school education is within reach of virtually all, and that life-long learning will equip people with the skills required for new careers and for citizenship.

Recommendation A: Content

We recommend that State and local high school graduation requirements be strengthened and that, at a minimum, all students seeking a diploma be required to lay the foundations in the Five New Basics by taking the following curriculum during their 4 years of high school: (a) 4 years of English; (b) 3 years of mathematics; (c) 3 years of science; (d) 3 years of social studies; and (e) one-half year of computer science. For the college bound, 2 years of foreign language in high school are strongly recommended in addition to those taken earlier.

Whatever the student's educational or work objectives, knowledge of the New Basics is the foundation of success for the after-school years, and, therefore, forms the core of the modern curriculum. A high level of shared education in these Basics, together with work in the fine and performing arts and foreign languages, constitutes the mind and spirit of our culture. The following Implementing Recommendations are intended as illustrative descriptions. They are included here to clarify what we mean by the essentials of a strong curriculum.

Implementing recommendations

1. The teaching of English in high school should equip graduates to: (a) comprehend, interpret, evaluate, and use what they read; (b) write well-organized, effective papers; (c) listen effectively and discuss ideas intelligently; and (d) know our literary heritage and how it enhances imagination and ethical understanding, and how it relates to the customs, ideas, and values of today's life and culture.

2. The teaching of mathematics in high school should equip graduates to: (a) understand geometric and algebraic concepts; (b) understand elementary probability and statistics; (c) apply mathematics in everyday situations; and (d) estimate, approximate, measure, and test the accuracy of their calculations. In addition to the traditional sequence of studies available for college-bound students, new, equally demanding mathematics curricula need to be developed for those who do not plan to continue their formal education immediately.

3. The teaching of science in high school should provide graduates with an introduction to: (a) the concepts, laws, and processes of the physical and biological sciences; (b) the methods of scientific inquiry and reasoning; (c) the application of scientific knowledge to everyday life; and (d) the social and environmental implications of scientific and technological development. Science courses must be revised and updated for both the college-bound and those not intending to go to college. An example of such work is in the American Chemical Society's "Chemistry in the Community" program.

4. The teaching of social studies in high school should be designed to: (a) enable students to fix their places and possibilities within the larger social and cultural structure; (b) understand the broad sweep of both ancient and contemporary ideas that have shaped our world; (c) understand the fundamentals of how our economic system works and how our political system functions; and (d) grasp the difference between free and repressive societies. An understanding of each of these areas is requisite to the informed and committed exercise of citizenship in our free society.

5. The teaching of computer science in high school should equip graduates to: (a) understand the computer as an information, computation, and communication device; (b) use the computer in the study of the other Basics and for personal and work-related purposes; and (c) understand the world of computers, electronics, and related technologies.

In addition to the New Basics, other important curriculum matters must also be addressed.

6. Achieving proficiency in a foreign language ordinarily requires from 4 to 6 years of study and should, therefore, be started in the elementary grades. We believe it is desirable that students achieve such proficiency because study of a foreign language introduces students to non-English-speaking cultures, heightens awareness and comprehension of one's native tongue, and serves the Nation's needs in commerce, diplomacy, defense, and education.

7. The high school curriculum should also provide students with programs requiring rigorous effort in subjects that advance students' personal, educational, and occupational goals, such as the fine and performing arts and vocational education. These areas complement the New Basics, and they should demand the same level of performance as the Basics.

8. The curriculum in the crucial eight grades leading to the high school years should be specifically designed to provide a sound base for study in those and later years in such areas as English language development and writing, computational and problem solving skills, science, social studies, foreign language, and the arts. These years should foster an enthusiasm for learning and the development of the individual's gifts and talents.

9. We encourage the continuation of efforts by groups such as the American Chemical Society, the American Association for the Advancement of Science, the Modern Language Association, and the National Councils of Teachers of English and Teachers of Mathematics, to revise, update, improve, and make available new and more diverse curricular materials. We applaud the consortia of educators and scientific, industrial, and scholarly societies that cooperate to improve the school curriculum.

Recommendation B: Standards and Expectations

We recommend that schools, colleges, and universities adopt more rigorous and measurable standards, and higher expectations, for academic performance and student conduct, and that 4-year colleges and universities raise their requirements for admission. This will help students do their best educationally with challenging materials in an environment that supports learning and authentic accomplishment.

Implementing recommendations

1. Grades should be indicators of academic achievement so they can be relied on as evidence of a student's readiness for further study.

2. Four-year colleges and universities should raise their admissions requirements and advise all potential applicants of the standards for admission in terms of specific courses required, performance in these areas, and levels of achievement on standardized achievement tests in each of the five Basics and, where applicable, foreign languages.

3. Standardized tests of achievement (not to be confused with aptitude tests) should be administered at major transition points from one level of schooling to another and particularly from high school to college or work. The purposes of these tests would be to: (a) certify the student's credentials; (b) identify the need for remedial intervention; and (c) identify the opportunity for advanced or accelerated work. The tests should be administered as part of a nationwide (but not Federal) system of State and local standardized tests. This system should include other diagnostic procedures that assist teachers and students to evaluate student progress.

4. Textbooks and other tools of learning and teaching should be upgraded and updated to assure more rigorous content. We call upon university scientists, scholars, and members of professional societies, in collaboration with master teachers, to help in this task, as they did in the post-Sputnik era. They should assist willing publishers in developing the products or publish their own alternatives where there are persistent inadequacies.

5. In considering textbooks for adoption, States and school districts should: (a) evaluate texts and other materials on their ability to present rigorous and challenging material clearly; and (b) require publishers to furnish evaluation data on the material's effectiveness.

6. Because no textbook in anyt subject can be geared to the needs of all students, funds should be made available to support text development in "thin-market" areas, such as those for disadvantaged students, the learning disabled, and the gifted and talented.

7. To assure quality, all publishers should furnish evidence of the quality and appropriateness of textbooks, based on results from field trials and credible evaluations. In view of the enormous numbers and varieties of texts available, more widespread consumer information services for purchasers are badly needed.

8. New instructional materials should reflect the most current applications of technology in appropriate curriculum areas, the best scholarship in each discipline, and research in learning and teaching.

Recommendation C: Time

We recommend that significantly more time be devoted to learning the New Basics. This will require more effective use of the existing school day, a longer school day, or a lengthened school year.

Implementing recommendations

1. Students in high schools should be assigned far more homework than is now the case.

2. Instruction in effective study and work skills, which are essential if school and independent time is to be used efficiently, should be introduced in the early grades and continued throughout the student's schooling.

3. School districts and State legislatures should strongly consider 7-hour school days, as well as a 200- to 220-day school year.

4. The time available for learning should be expanded through better classroom management and organization of the school day. If necessary, additional time should be found to meet the special needs of slow learners, the gifted, and others who need

more instructional diversity than can be accommodated during a conventional school day or school year.

5. The burden on teachers for maintaining discipline should be reduced through the development of firm and fair codes of student conduct that are enforced consistently, and by considering alternative classrooms, programs, and schools to meet the needs of continually disruptive students.

6. Attendance policies with clear incentives and sanctions should be used to reduce the amount of time lost through student absenteeism and tardiness.

7. Administrative burdens on the teacher and related intrusions into the school day should be reduced to add time for teaching and learning.

8. Placement and grouping of students, as well as promotion and graduation policies, should be guided by the academic progress of students and their instructional needs, rather than by rigid adherence to age.

Recommendation D: Teaching

This recommendation consists of seven parts. Each is intended to improve the preparation of teachers or to make teaching a more rewarding and respected profession. Each of the seven standards on its own and should not be considered solely as an implementing recommendation.

1. Persons preparing to teach should be required to meet high educational standards, to demonstrate an aptitude for teaching, and to demonstrate competance in an academic discipline. Colleges and universities offering teacher preparation programs should be judged by how well their graduates meet these criteria.

2. Salaries for the teaching profession should be increased and should be professionally competitive, market-sensitive, and performance-based. Salary, promotion, tenure, and retention decisions should be tied to an effective evaluation system that includes peer review so that superior teachers can be rewarded, average ones encouraged, and poor ones either improved or terminated.

3. School boards should adopt an 11-month contract for teachers. This would ensure time for curriculum and professional development, programs for students with special needs, and a more adequate level of teacher compensation.

4. School boards, administrators, and teachers should cooperate to develop career ladders for teachers that distinguish among the beginning instructor, the experienced teacher, and the master teacher.

5. Substantial nonschool personnel resources should be employed to help solve the immediate problem of the shortage of mathematics and science teachers. Qualified individuals including recent graduates with mathematics and science degrees, graduate students, and industrial and retired scientists could, with appropriate preparation, immediately begin teaching in these fields. A number of our leading science centers have the capacity to begin educating and retraining teachers immediately. Other areas of critical teacher need, such as English, must also be addressed.

6. Incentives, such as grants and loans, should be made available to attract outstanding students to the teaching profession, particularly in those areas of critical shortage.

7. Master teachers should be involved in designing teacher preparation programs and in supervising teachers during their probationary years.

Recommendation E: Leadership and Fiscal Support

We recommend that citizens across the Nation hold educators and elected officials responsible for providing the leadership necessary to achieve these reforms, and that citizens provide the fiscal support and stability required to bring about the reforms we propose.

Implementing recommendations

1. Principals and superintendents must play a crucial leadership role in developing school and community support for the reforms we propose, and school boards must provide them with the professional development and other support required to carry out their leadership role effectively. The Commission stresses the distinction between leadership skills involving persuasion, setting goals and developing community consensus behind them, and managerial and supervisory skills. Although the latter are necessary, we believe that school boards must consciously develop leadership skills at the school and district levels if the reforms we propose are to be achieved.

2. State and local officials, including school board members, governors, and legislators, have the primary responsibility for financing and governing the schools, and should incorporate the reforms we propose in their educational policies and fiscal planning.

3. The Federal government, in cooperation with States and localities, should help meet the needs of key groups of students such as the gifted and talented, the socioeconomically disadvantaged, minority and language minority students, and the handicapped. In combination these groups include both national resources and the Nation's youth who are most at risk.

4. In addition, we believe the Federal government's role includes several functions of national consequence that States and localities alone are unlikely to be able to meet: protecting constitutional and civil rights for students and school personnel; collecting data, statistics, and information about education generally; supporting curriculum improvement and research on teaching, learning, and the management of schools; supporting teacher training in areas of critical shortage or key national needs; and providing student financial assistance and research and graduate training. We believe the assistance of the Federal government should be provided with a minimum of administrative burden and intrusiveness.

5. The Federal government has the primary responsibility to indentify the national interest in education. It should also help fund and support effors to protect and promote that interest. It must provide the national leadership to ensure that the Nation's public and private resources are marshaled to address the issues discussed in this report.

6. This Commission calls upon educators, parents, and public officials at all levels to assist in bringing about the educational reform proposed in this report. We also call upon citizens to provide the financial support necessary to accomplish these purposes. Excellence costs. But in the long run mediocrity costs far more.

America can do it

Despite the obstacles and difficulties that inhibit the pursuit of superior educational attainment, we are confident, with history as our guide, that we can meet our goal. The American educational system has responded to previous challenges with remarkable success. In the 19th century our land-grant colleges and universities provided the research and training that developed our Nation's natural resources and the rich agricultural bounty of the American farm. From the late 1800s through mid-20th century, American schools provided the educated workforce needed to seal the success of the Industrial Revolution and to provide the margin of victory in two world wars. In the early part of this century and continuing to this very day, our schools have absorbed vast waves of immigrants and educated them and their children to productive citizenship. Similarly, the Nation's Black colleges have provided opportunity and undergraduate education to the vast majority of college-educated Black Americans.

More recently, our institutions of higher education have provided the scientists and skilled technicians who helped us transcend the boundaries of our planet. In the last 30 years, the schools have been a major vehicle for expanded social opportunity, and now graduate 75 percent of our young people from high school. Indeed, the proportion of Americans of college age enrolled in higher education is nearly twice that of Japan and far exceeds other nations such as France, West Germany, and the Soviet Union. Moreover, when international comparisons were last made a decade ago, the top 9 percent of American students compared favorably in achievement with their peers in other countries.

In addition, many large urban areas in recent years report that average student achievement in elementary schools is improving. More and more schools are also offering advanced placement programs and programs for gifted and talented students, and more and more students are enrolling in them.

We are the inheritors of a past that gives us every reason to believe that we will succeed.

A word to parents and students

The task of assuring the success of our recommendations does not fall to the schools and colleges alone. Obviously, faculty members and administrators, along with policymakers and the mass media, will play a crucial role in the reform of the educational system. But even more important is the role of parents and students, and to them we speak directly.

To parents

You know that you cannot confidently launch your children into today's world unless they are of strong character and well-educated in the use of language, science, and mathematics. They must possess a deep respect for intelligence, achievement, and learning, and the skills needed to use them; for setting goals; and for disciplined work. That respect must be accompanied by an intolerance for the shoddy and second-rate masquerading as "good enough."

You have the right to demand for your children the best our schools and colleges can provide. Your vigilance and your refusal to be satisfied with less than the best are the imperative first step. But your right to a proper education for your children carries a double responsibility. As surely as you are your child's first and most influential teacher, your child's ideas about education and its significance begin with you. You must be a living example of what you expect your children to honor and to emulate. Moreover, you bear a responsibility to participate actively in your child's education. You should encourage more diligent study and discour-

age satisfaction with mediocrity and the attitude that says "let it slide"; monitor your child's study; encourage good study habits; encourage your child to take more demanding rather than less demanding courses; nurture your child's curiosity, creativity, and confidence; and be an active participant in the work of the schools. Above all, exhibit a commitment to continued learning in your own life. Finally, help your children understand that excellence in education cannot be achieved without intellectual and moral integrity coupled with hard work and commitment. Children will look to their parents and teachers as models of such virtues.

To students

You forfeit your chance for life at its fullest when you withhold your best effort in learning. When you give only the minimum to learning, you receive only the minimum in return. Even with your parents' best example and your teachers' best efforts, in the end it is your work that determines how much and how well you learn. When you work to your full capacity, you can hope to attain the knowledge and skills that will enable you to create your future and control your destiny. If you do not, you will have your future thrust upon you by others. Take hold of your life, apply your gifts and talents, work with dedication and self-discipline. Have high expectations for yourself and convert every challenge into an opportunity.

A final word

This is not the first or only commission on education, and some of our findings are surely not new, but old business that now at last must be done. For no one can doubt that the United States is under challenge from many quarters.

Children born today can expect to graduate from high school in the year 2000. We dedicate our report not only to these children, but also to those now in school and others to come. We firmly believe that a movement of America's schools in the direction called for by our recommendations will prepare these children for far more effective lives in a far stronger America.

Our final word, perhaps better characterized as a plea, is that all segments of our population give attention to the implementation of our recommendations. Our present plight did not appear overnight, and the responsibility for our current situation is widespread. Reform of our educational system will take time and unwavering commitment. It will require equally widespread, energetic, and dedicated action. For example, we call upon the National Academy of Sciences, National Academy of Engineering, Institute of Medicine, Science Service, National Science Foundation, Social Science Research Council, American Council of Learned Societies, National Endowment for the Humanities, National Endowment for the Arts, and other scholarly, scientific, and learned societies for their help in this effort. Help should come from students themselves; from parents, teachers, and school boards; from colleges and universities; from local, State, and Federal officials; from teachers' and administrators' organizations; from industrial and labor councils; and from other groups with interest in and responsibility for educational reform.

It is their America, and the America of all of us, that is at risk; it is to each of us that this imperative is addressed. It is by our willingness to take up the challenge, and our resolve to see it through, that America's place in the world will be either secured or forfeited. Americans have succeeded before and so we shall again.

CORNELIUS SCHNEIDER

Mr. MOYNIHAN. Mr. President, I rise today to recognize Cornelius "Cornie" Schneider, national adjutant of the Jewish War Veterans of the U.S.A., who passed away recently. A veteran of the Second World War and a distinguished member of the organization ever since, he will be painfully missed by all who were fortunate enough to know him.

I ask unanimous consent that a press release issued by the Bronx County Council for the Jewish War Veterans, U.S.A. at the time of Mr. Schneider's death be printed in the RECORD in order that it be preserved for his family, friends, and many admirers.

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

Everyone who knew him was saddened and shocked when Cornelius "Cornie" Schneider, National Adjutant of the Jewish War Veterans of the U.S.A. suddenly passed away recently. He was well known throughout the County, City, State and Nationally for his efforts on behalf of veterans and those in dire need in every walk of life.

He was a graduate of Bronx P.S. 44, Evander Childs High School and N.Y.U. School of Commerce where he belonged to Alpha Phi Sigma Fraternity. He received his degree in accounting in 1940 and was a member of the student Hall of Fame and Who's Who in Collegiate America.

He served in the U.S. Armed Forces and immediately after being honorably discharged in 1945, "Cornie" joined the Jewish War Veterans to begin a long and distinguished career in the Jewish War Veterans organization. He held the following positions—Commander Ehrlich Levy Post #82, Bronx County Commander, Department of New York Commander, Second Regional National Commander, National Executive Committeeman and his last title was National Adjutant.

His entire life was devoted to the Jewish War Veterans. He was also a member of the American Legion and the Bronx Voiture 40-8. He was a Commander of the Bronx Memorial and Executive Committee which comprises all of the veteran organizations in Bronx County. Through all of this, he still remained Quartermaster of his Post and Bronx County as well as Auditor for Department of New York.

"Cornie" and his wife Jeanette were the first husband and wife team to be Commander of Bronx County Council and President of the Bronx County Ladies Auxiliary at the same time—the first such team in all of New York State.

Politically, he was campaign manager for Joseph Periconi's successful bid for Bronx Borough President and later served as administrative assistant to the Borough President.

Cornie was a member of the Board of Directors of the Violet Park Jewish Center and involved himself in many community activities of interest to Jews and non-Jews alike. During his lifetime he amassed over 300 awards and citations.

He is survived by his wife Jeanette, daughters Susan and Edna, brothers Harold and Bernard, grandson Jason and son-in-law John Gruen.

His friends in and out of the Jewish War Veterans have started a fund in his name for the Jewish Chapel to be built at the West Point Military Academy, a project very dear to his heart. His friends who wish to donate can make checks payable to Bronx County Jewish War Veterans, 851 Grand Concouse, Bronx, N.Y. 10451.

ALASKA STATEHOOD

Mr. STEVENS. Mr. President, I should like to bring to the attention of the Senate that we approach the 25th anniversary of the passage of the Alaska statehood bill in the Senate on June 30, 1958. The battle for Alaska statehood took many years, but by 1958 public awareness of the tremendous natural resources of Alaska's land and its people had increased to a fever pitch. Newspaper editorials and articles urged passage of Alaska's statehood bill and rallied substantial support for our cause.

It was my privilege to serve as assistant to the Secretary and legislative counsel to the Department of Interior under Fred Seaton, the Secretary of Interior, at the time of our statehood fight. Fred Seaton, a former Senator from Nebraska, was an outspoken supporter of Alaska statehood. He made many trips to Alaska, and, in fact, was in Alaska when the House of Representatives passed the statehood bill on May 28, 1958.

Secretary Seaton outlined the facts in favor of statehood for both Alaska and Hawaii in an article which appeared in the Washington Star on March 14, 1958. I ask unanimous consent that this article be printed in the RECORD.

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

STATEHOOD FOR ALASKA AND HAWAII

(By Fred A. Seaton)

It is a rare privilege to author a guest column for my long-time friend, Thomas L. Stokes, although I genuinely regret the circumstances which give rise to this opportunity to address his thousands of readers.

The subject I'd like to bring to your attention today is the proposal that the Territories of Alaska and Hawaii be granted statehood in the current session of the Congress. The Eisenhower administration is wholeheartedly supporting statehood for both territories, and I very much hope that we can marshal sufficient bipartisan support in the Congress to achieve our objective.

Although the battle for statehood for Alaska and Hawaii has been going on for many years, it does appear that prospects for success are brighter now than they have ever been. There is increased public understanding in the United States of the true facts concerning the two territories and a consequent increased public demand that both be admitted to statehood.

While the decision is one solely within the power of Congress to make, I devoutly hope

the statehood bills will be kept separate so that each of the territories can be judged on its own merits by each member of the Congress.

This year the congressional leadership apparently believes that the case of Alaska should be considered first. While I have no objection to that, I do believe that it is both desirable and fair that the leadership give public assurance that Hawaiian statehood will be brought up for a vote in both houses immediately following consideration of the Alaska bill.

Fear that Alaska would not be considered was one of the considerations which prompted the Senate to vote to join the two bills in 1954. That action tolled the death knell for any hope for statehood in the 83d session of the Congress.

To combine the bills in this session probably would have the same undesirable effect. Yet it is understandable that unless the friends of Hawaiian statehood are assured of consideration for their bill soon after Alaska, history may repeat itself.

In this year's budget message, the President again voiced his complete support for statehood for both territories. In action consistent with the President's request and the platforms of both major political parties, the Department of the Interior has done everything is can to further the cause of statehood for both Alaska and Hawaii. Statehood for either, I firmly believe, should be a nonpartisan subject. Partisanship in this area of debate serves no good purpose; it can only cloud the real issues and hinder constructive efforts to deal with them.

Simple justice demands that both territories be admitted to the Union now.

As for myself, I haven't the slightest concern about who, or which political party, gets the credit for Hawaiian or Alaskan statehood. Whether Republicans or Democrats, the people of both territories are Americans, and they are entitled to full citizenship. I know of nothing in the Constitution of the United States which gives preference to one political party or the other or, more importantly, sets up political party affiliation as a test of fitness for statehood.

Among the valid tests is this one: Do most of the residents of the territory under consideration favor statehood?

The record is crystal clear on this point.

The proposed Alaskan constitution was ratified in 1956 by an overwhelming vote. Moreover, the last three territorial legislatures passed memorials urging statehood.

My own travels in Alaska as Secretary of the Interior have confirmed and strengthened my earlier view, expressed as a member of the United States Senate in 1952, that Alaska is ready for admission to the Union and that the majority of its people earnestly want statehood at the earliest possible moment.

Many of the arguments against the admission of Alaska have a familiar ring. When admission to the Union was sought for my home State of Nebraska in 1867 (the year the United States purchased Seward's so-called Alaskan "icebox" for $7.2 million), objections were made that the Nebraska population was insufficient to support statehood and that the burden of State government was being forced upon the residents of the territory against their will.

If such specious arguments, now raised in the Alaska debate, had been accepted in 1867, one can only imagine in what stage the development of the West—and indeed the United States as a whole—would be today.

The arguments for admission of Hawaii are equally persuasive; the objections are equally time-worn. From the standpoint of population, wealth and economic development, Hawaii has met every test for statehood. Its people have been loyal citizens of the United states for more than half a century.

This is the year to end the long frustration of their hopes. With their fellow Americans in Alaska, they are ready to take on the full rights and responsibilities of citizenship. Both Alaska and Hawaii are more than able to pay their way as full-fledged members of the Union. As never before, we have reason to expect they will soon be able to do so, as citizens of the 49th and 50th American States.

THE NATIONAL DAY OF PRAYER

Mr. THURMOND. Mr. President, today, May 5, 1983, has been proclaimed as the National Day of Prayer, and I can think of no better way for Americans of different faiths to unite as one voice to ask God's continued blessings upon our land.

Prayer is an essential element of this Nation's spiritual health and indeed, a source of great strength for all individuals. God revealed long ago how prayer plays a vital role in the life of a nation and its people. In the Old Testament of the Bible, specifically in Second Chronicles, chapter 7, He said,

> If my people, who are called by my name, shall humble themselves . . . and pray, then will I hear from heaven, I will forgive their sins, and heal their land.

Mr. President, because prayer is such an important activity in the life of a nation and an individual, it is my sincere hope that a constitutional amendment to allow voluntary prayer in public schools will be passed during the 98th Congress. On March 24, 1983, I introduced this proposal, at the request of the administration, and it is now being considered by the Senate Judiciary Committee.

The Founding Fathers understood well the value of prayer. Indeed, they incorporated religious freedoms as a part of America's constitutional and political fabric, recognizing that religion is, and always has been, a vital part of our lives.

For this reason, I strongly support a constitutional amendment to allow voluntary prayer, and I am pleased to recognize the National Day of Prayer. May Americans today, and every day, take time out to seek God's guidance and blessings for their lives and for our land.

A TRIBUTE TO TURNER CATLEDGE, FORMER EXECUTIVE EDITOR OF THE NEW YORK TIMES

Mr. THURMOND. Mr. President, last month, one of the true giants of American journalism, Turner Catledge, passed away at the age of 82. His friends and colleagues greatly mourn his death, and I thought it appropriate that a tribute to this man—who was the first executive editor of the New York Times—be included in the RECORD.

Turner Catledge was a man who commanded and received the respect of his colleagues not only at the Times, but in news organizations throughout the country. Indeed, in my home State of South Carolina, there are those who fondly remember Turner Catledge and his accomplishments in the newspaper industry.

Mr. President, Turner Catledge joined the New York Times as a reporter in 1929 and during his 39 years of service there, he moved up through the ranks to become executive editor and head of news operations for one of the world's most widely circulated publications.

During Mr. Catledge's tenure as executive editor, the Times compiled a proud record of achievement, earning 10 of journalism' most coveted and prestigious awards—the Pulitzer Prize. He is also remembered for revamping the style of the Times, improving its readability and appearance.

Perhaps the most publicized of his achievements, however, was Turner Catledge's battle against "advocacy journalism," that is, editorializing in the news columns. At a time when many reporters considered it their personal responsibility to criticize American foreign policy in Southeast Asia in the news, Turner Catledge clung steadfastly to the ideal that the mission of the news columns of a newspaper were not to change events, just to report them—in other words, restrict advocacy journalism to the editorial page.

Mr. President, so that my colleagues can learn more about the life of this talented and courageous man. I ask unanimous consent that two articles from the New York Times and the Washington Post be printed in the RECORD.

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

[From the New York Times, Apr. 28, 1983]

TURNER CATLEDGE

A born storyteller, Turner Catledge would surely start his own remarkable tale, in perfect Mississippi pitch, with his parents: Willie Anna Turner, stalwart protector of family and fierce stoker of its ambition, Lee Johnston Catledge, failure at business but well-read, shrewd student of the courthouse gang. Thus endowed, Turner Catledge traveled from the dust of the Old South to the patina of Washington and New York, charming all in his path and making a profession of curiosity and undertaking.

More narrator than critic, he landed fortuitously among us, where the stock in trade is impartial coverage of the news, and rose to direct that coverage for three publishers. In ways that even insiders could not always see, he was our medium of change—change in the leadership of The Times, the

style of The Times, the scope of The Times. We salute Turner at his death, as we did in life, because all that we are, he decidedly helped us to become.

Conceived a Democrat and reared a progressive, Turner Catledge was also a natural foe of partisanship. People and politics were much too interesting to dismiss with glib judgment; he saw merit in the boss of Memphis and in the rogues of Congress. Maybe the world didn't make good sense, but it made news.

That's why he found The Times so congenial, and its entire family found him the same. Poised between two generations of owners, he held fast to the values of one while he set the pace for the innovations of the next. Make no small plans was his motto; sneak them through was his style.

When hired in 1929, he bought The Times each day to practice "those long, cumbersome sentences." As always, he mastered the system, then set about altering it. "The best newspaper writing is like a letter to a friend," he'd say, "or to a curious but somewhat dumb younger brother." Thus came publisher's prizes for writing; in-house critiques of writing; rapid advancement for writing. He was delighted to take the result while letting associates take much of the credit.

With his sense of story came a sense of history, particularly about the revolution in the South. He also thought New York sophisticates could learn a thing or two about life in the rest of America, and indeed their own neighborhoods. And as television took bulletins away from newspapers, he understood that serious readers would want the story behind the story ("New Analysis") and the people behind it ("Man in the News").

"A reader is informed when he's not surprised," he'd insist. "To the extent that social conflicts arise because people are uninformed, responsibility lies uncomfortably close to our newsrooms." In the office he was a gentle goad, but to all the world he was our fierce protector. And he kept the shrewdest eye on every courthouse gang.

Deceptively simple, sometimes recklessly candid, Turner Catledge practiced a rare combination of perception and compassion. Among the family that guides The Times and all his colleagues, the stories of his journey will never cease. The pain will be no longer to hear him drawl us one better.

[From the Washington Post, Apr. 28, 1983]

TURNER CATLEDGE DIES; EX-EDITOR OF NEW YORK TIMES

NEW ORLEANS.—Turner Catledge, the first executive editor of The New York Times and head of its news operations from the end of the Korean War through most of the Vietnam War, died Wednesday at his home here. He was 82.

Mr. Catledge, a resident of New Orleans since his retirement from The Times on April 30, 1970, suffered a stroke in late February and had been in declining health since.

He joined The Times as a reporter in 1929 and left as a vice president after 39 years of service broken only by a stint on the Chicago Sun as chief correspondent and editor from 1941 to 1943.

During his 19 years as the paper's No. 1 news executive, The Times won 10 Pulitzer Prizes. At the same time, Mr. Catledge said, the paper became "lighter in appearance and more inviting to read."

The worldwide news-gathering army he commanded was about 800 strong and generated as many as 2 million words a day to be pared down to fit about 170,000 words worth of space.

Mr. Catledge, a foe of advocacy journalism that beguiled some young reporters of the Vietnam era, declared in a retirement interview, "We're not God's anointed . . . I think we should put the emphasis on the code of objective, fair reporting of the news."

He broadened The Times' daily fare to include a regular man-in-the-news feature, frequent news analyses and a thrice-weekly local column and encouraged investigative reporting.

"A riot does not begin with a wild, agitational speech in Harlem or a protest march along Beale Street," he said in a speech. "It begins long before [and] among the great causes of these eruptions which we report so diligently are civil indifference and middle-aged nearsightedness."

Mr. Catledge was appointed managing editor in 1951 after the death of Edwin James, and took over a news operation fragmented by what chroniclers have described as jealously guarded little internal empires.

With the publisher's backing, he established his authority as the top figure in the chain of command in news matters and asserted more control over the paper's Washington bureau.

The post of executive editor was created for Mr. Catledge in 1964, when the previously separate Sunday department came under his sway. He was named a vice president and member of the board four years later.

Mr. Catledge was born in Ackerman, Miss. He graduated from Mississippi State University (then Mississippi A&M) and began his career on a weekly newspaper in Mississippi. He spent three years on the Memphis (Tenn.) Commercial Appeal and two years on the Baltimore Sun before joining The Times in 1929.

After five months on the New York staff of The Times, he was assigned to Washington. For the next decade he covered Capitol Hill and the White House.

A courtly man of gentle wit delivered with a slight drawl, Mr. Catledge became a member of Vice President John Nance Garner's "Board of Education." It was a group that met regularly at day's end to "strike a blow for liberty," and its weapon was burbon and branch water.

Mr. Catledge was president of the American Society of Newspaper Editors in 1961 and served on the Pulitzer Prize Advisory Committee. He collaborated with Joseph Alsop in 1938 on "The 168 Days," a book on President Franklin D. Roosevelt's attempt to pack the Supreme Court. His autobiography, "My Life and the Times," was published in 1971.

His marriage to Mildred Turpin Catledge ended in divorce.

Survivors include his wife, the former Abby Ray Izard, and two daughters by his first marriage, Mildred Lee and Ellen Douglas.

VOTING PROCEDURE MONDAY AND TUESDAY

Mr. BAKER. Mr. President, I have consulted with the minority leader on the matter of scheduling for Monday next that I think is highly desirable from the standpoint of convenience and schedules of all Members.

As my colleagues will recall, when we got the unanimous-consent agreement on the immigration bill, it provided several things, but among them was that we would have final passage on Tuesday by not later than 10 p.m. provided that we reach that measure by noon on Monday. We are not going to do that now. we will be on the budget resolution, barring some miracle which I do not now perceive.

Another of the provisions was that votes on Monday would be stacked to occur beginning on Tuesday. Mr. President, I think, based on that order, that a lot of Members have already made plans with the assumption that we were not going to have any votes on Monday. We will be in session on Monday. I think it would be only fair to extend that provision to the Monday situation even though we are going to be on the budget resolution.

So, Mr. President, what I would like to do now is to reiterate the final paragraph of the unanimous-consent request which was granted as to the immigration bill relating to Monday.

Mr. President, I ask unanimous consent that any rollcall votes ordered on the budget resolution or amendments thereto or other measures in respect thereto on Monday, May 9, 1983, be stacked and occur in sequence starting at 2 p.m. on Tuesday, May 10, 1983, that 5 minutes' debate be in order between any such stacked votes, and that the time be equally divided and controlled by the mover of such amendment and the manager of the bill.

Mr. BYRD. Mr. President, reserving the right to object.

Mr. BAKER. Mr. President, the minority leader has privately made to me a suggestion which is a very good one and is a benefit from having a former majority leader as my counterpart on the Democratic side of the aisle. I will say somewhat facetiously that there are many advantages of having my friend as the former majority leader, but one of them is his great wealth of knowledge about procedure and his quick and agile mind on the matters affecting the operation of the Senate.

His suggestion to me was that it might be in order to protect the Senate, to protect the leadership, on votes in respect to compelling the attendance of absent Senators or to establish the presence of a quorum. Of course, he is correct in that respect.

I amend the request to include the proviso that such votes on Monday would be in order but no other votes would be in order.

The PRESIDING OFFICER. Is there objection to the request?

Mr. BYRD. No objection.

The PRESIDING OFFICER. Hearing none, it is so ordered.

Mr. BAKER. Mr. President, I believe at this point time for morning business has expired and under the order previously entered the Senate will resume consideration of Senate Concurrent Resolution 27. For a variety of

reasons that I have discussed also with the minority leader, the Members who had anticipated they would be first up are engaged in other committee activities away from the floor. That had not been anticipated when the schedule was announced late last night, but perhaps I should have anticipated that. Also, the managers of the resolution are not immediately here and available.

Therefore, Mr. President, I would like to propound a unanimous-consent request with the minority leader's approval. I ask unanimous consent, Mr. President, that, after the resolution is laid down and made the pending business, it may be in order for me to suggest the absence of a quorum with the time charged equally against both sides.

Mr. BYRD. Mr. President, I have no objection.

The PRESIDING OFFICER. Without objection, the majority leader's request is agreed to.

FIRST CONCURRENT BUDGET RESOLUTION—FISCAL YEAR 1984

The PRESIDING OFFICER. Under the previous order, the hour of 10:30 a.m. having arrived, the Senate will resume consideration of the pending business Senate Concurrent Resolution 27, which the clerk will state.

The assistant legislative clerk read as follows:

A Senate concurrent resolution (S. Con. Res. 27) revising the congressional budget for the U.S. Government for the fiscal year 1983 and setting forth the congressional budget for the U.S. Government for the fiscal year 1984, 1985, and 1986.

The Senate resumed consideration of the concurrent resolution.

Mr. BAKER. Mr. President, I see that the distinguished chairman of the committee has arrived. I am told that the ranking minority member has almost arrived. I will yield the floor in favor of the manager of the bill, the chairman of the committee.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, I understand the leader asked that if we have a quorum call, it be charged equally to both sides.

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

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

Who yields time?

Mr. CHILES. I yield such time as the Senator may need to propose an amendment.

AMENDMENT NO. 1233

(Purpose: To add additional funds for the abandoned mine reclamation fund)

Mr. HUDDLESTON. Mr. President, I send an 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 Kentucky (Mr. HUDDLESTON) proposes an amendment numbered 1233.

Mr. HUDDLESTON. 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 3, increase the figure on line 13 by $250,000,000.

On page 3, increase the figure on line 19 by $250,000,000.

On page 4, increase the figure on line 1 by $250,000,000.

On page 4, increase the figure on line 7 by $250,000,000.

On page 4, increase the figure on line 8 by $250,000,000.

On page 4, increase the figure on line 9 by $250,000,000.

On page 4, increase the figure on line 14 by $250,000,000.

On page 10, increase the figure on line 9 by $250,000,000.

On page 10, increase the figure on line 10 by $250,000,000.

Mr. HUDDLESTON. Mr. President, the amendment that I am offering adds $250 million in budget authority and outlays in fiscal year 1984 to the environmental and natural resources function of Senate Conncurrent Resolution 27, the first concurrent budget resolution.

The purpose of this amendment is to provide the Appropriations Committee adequate funding authority for the abandoned mine reclamation fund. This fund established by the Surface Mining and Reclamation Control Act (P.L. 95-87), derives its revenues from fees charged to coal operators, $0.35 per ton for surface mined coal and $0.15 per ton for underground mined coal. The fund has accumulated approximately $600 million and continues to accumulate with each ton of coal mined.

The fund can be used only for those purposes prescribed in Public Law 95-87, for now reclamation of mine sites abandoned previous to the enactment of the Surface Mining Act.

To date, the Office of Surface Mining has, for a variety of stated reasons, been reluctant to obligate money from the fund. It is my belief that the primary reason money has not been spent is that the Office of Management and Budget has decided to use the accumulating revenues to offset expenditures in other areas, thereby reducing the deficit with this money collected solely for the purposes of Public Law 95-87.

I believe this procedure to be unjust and counterproductive. We have reclamation work which needs to be done. We have idle workers in the Nation's coal fields willing to work on reclamation projects. We have idle machinery capable of performing the work. We have the money to pay for the work. And the States indicate, contrary to the assumptions of the Budget Committee, and assertions by OSM, that they are prepared to contract for significantly more projects in fiscal year 1984.

However, because of budget scorekeeping procedures that make expenditures from the fund count against the deficit as well as against allocations to the subcommittees of the Senate Appropriations Committee, there is resistance to allocating sufficient spending authority.

The very wording of this amendment points up the problem I have encountered in the Appropriations Committee over the last few years in trying to get this money allocated to the States so that reclamation work can begin.

Just as the amendment adds $250 million in spending authority—and this is in $250 million from a dedicated fund of taxes already collected—the amendment must also add $250 million to the deficit.

Believe me, when I try to explain this situation to the man in the street, I get some very puzzled looks.

Now, I say to the distinguished floor manager of the bill and his counterpart on this side of the aisle that as frustrated as I am with this situation, I also understand their concerns regarding further raising of the deficit.

Also, I am keenly aware of their reluctance to, at this time, pursue another course—in all probability a more effective and suitable course—placing the abandoned mine fund in an off-budget type status.

Therefore, I should advise my colleagues that I do not intend to actively pursue this amendment right now.

However, in order to escalate the attention level on this issue just a bit I would like to engage in a brief colloquy with the floor managers of this bill before us, including the distinguished Senator from New Mexico (Mr. DOMENICI).

I should like to have his comment, if he would, as to the problem that we are encountering and the approach that we would seek to make.

Mr. DOMENICI. I thank my good friend from Kentucky for the recognition of the problem that we have today in this budget resolution. Simply put, because the abandoned mine reclamation fund is an appropriated item and even though it is financed by fees levied on coal production and is available solely for the purpose of reclamation, current budget

scorekeeping procedures dictate that the adoption of this amendment would, as he has stated, increase the projected budget deficit by $250 million. This is true notwithstanding the very fine arguments that the Senator has made regarding what he sees as the special nature of the abandoned mine reclamation fund.

Mr. HUDDLESTON. In a recent Interior Appropriations Subcommittee hearing the chairman of that subcommittee, who is also chairman of the Energy Committee of the Senate (Mr. McCLURE) also spoke of the need to address the kind of problem that I have outlined. Although he was sympathetic to these views, Senator McCLURE was compelled during the consideration of the 1983 Interior appropriations bill to lead the effort in cutting back on a $200 million increase that I had gained for the fund in the subcommittee. But as I have indicated, this was necessary because of those two things: One, a limit on budget authority for this item and, two, the argument that further expenditures would increase the deficit as well as force the subcommittee to exceed our 302 allocation. I commend the distinguished Senator from Florida as well as the Senator from New Mexico for the tremendous time and effort they have put on this whole budget process, in particular the budget resolution that we are now considering. I know that there are a good many quirks and bookkeeping problems that we would like to see done some other way that might facilitate the use of funds. I would appreciate any comment the Senator from Florida might have on this subject.

Mr. CHILES. I say to my distinguished friend from Kentucky I know well the time that he has spent on this particular subject. It has been discussed by him at the Appropriations Committee before, and I know of his frustration because the money is sitting there and thus far nothing has happened on that.

I say to my friend that I certainly want to try to see that he is helped. We do have to be concerned at this time in trying to get this underway, but I think that this might well be something in the second resolution we could look at. Of course, we will be able to discuss this and will be discussing it in the Appropriations Committee again.

Mr. HUDDLESTON. I hope that we have that opportunity. I appreciate the fact that both the Senator from Florida and the Senator from New Mexico are willing to take a look at it. One of the things you run into is that the average person, when you start talking about the huge deficits that we have, certainly wants us to do everything possible to reduce those deficits, but he is usually thinking in terms that that deficit is requiring tax money; he is going to have to pay it off.

Mr. CHILES. I think the Senator is right.

Mr. HUDDLESTON. Or his children or grandchildren are going to have to pay it off. But we are talking about a fund that if we spent the total $600 million would not cost the taxpayer another penny. It cannot be used for any other purpose. It has already been collected. It is laying there not drawing interest.

Mr. CHILES. I should point out to the distinguished Senator from Kentucky that there is some additional money in function 300. This is where this money resides, so I think he certainly can discuss this in the Appropriations Committee. I hope to be with him in trying to see where we can assist at that time because of the funds that are in function 300. But I think his point is well taken. When the money is collected for this purpose, when it is held in a trust fund, it just does not make sense to me that the administration will not go forward with what Congress set up and said we must use the money for this purpose. Certainly we continue to see these kinds of accidents occur. It is not something that we are not seeing. We know how important it is that we have safe working places so that we get the coal out of the ground.

Mr. HUDDLESTON. One can make a good argument that if you are not going to spend the money for the purpose for which it was collected, you ought to quit collecting it. Somebody is having to pay it.

Mr. CHILES. I think it is a very good point, but that is not the only trust fund that is handled that way. It is almost a device of administrations, not just this administration, to collect money.

Mr. HUDDLESTON. Which I think just points up maybe the need to review the whole question of the trust funds.

Mr. CHILES. I think it definitely does.

Mr. HUDDLESTON. And see whether or not a bookkeeping change could be made that would allow the funds to be used without reflecting on the budget deficit situation. Now, whether that could ever be done I think is something worth exploring.

Mr. CHILES. I do, however, oppose changing the abandoned mine reclamation fund from an on-budget to an off-budget item.

Mr. HUDDLESTON. I thank the Senator from Florida.

Mr. DOMENICI. I say to my good friend from Kentucky that he has raised some very important issues. I think he knows that this whole process is an evolving process. I will be happy to work with him in trying to seek solutions to the problem he has raised here.

I am a member of the Appropriations Committee, as is the Senator from Kentucky. I will speak with Senator McCLURE about it.

However, with reference to trust fund-type moneys, and this is one, the fact that there are trust fund moneys, be it highway or mine reclamation, does not mean that everything available in the fund is spent.

Mr. HUDDLESTON. I understand that.

Mr. DOMENICI. The budget process does have a crosswalk to appropriations, and this one does require appropriation, that does cause the issue the Senator has raised. It puts the Subcommittee on Appropriations in a position, with an overall ceiling on crosswalk, of having to decide whether they leave money in the trust fund unspent or cut some other programs.

I do not know how to get around that, other than to put all trust funds in a kind of off-budget posture, and I am sure the distinguished Senator from Florida will agree that we cannot do that in a wholesale manner.

Mr. HUDDLESTON. To do it now, money that is already collected and available has to compete with programs that require new taxes or additional taxes or continuing taxes, or it comes directly out of the Treasury.

I appreciate the consideration of both floor managers and their sympathy with the problem we see, and I appreciate the opportunity to work with them in trying to find a satisfactory solution.

Mr. BYRD. Mr. President, I support the amendment of the distinguished Senator from Kentucky (Mr. HUDDLESTON). He is doing a service by focusing attention on the status of the abandoned mine reclamation fund.

For our colleagues who are not conversant with the AML program, the abandoned mine reclamation fund is comprised solely of money paid into the Treasury of the United States by coal operators. The coal producers pay a fee for every ton that they mine—35 cents for surface-mined coal and 15 cents per ton of coal produced in an underground mine—to cover the costs of reclamation at old, abandoned minesites.

The Office of Surface Mining's budget justification document for fiscal year 1984 projects that $230.8 million in reclamation fees will be added to the abandoned mine reclamation fund in 1984, and that even with an appropriation of $218.8 million, the fund will grow to a record balance of $591.8 million by October 1, 1984. My point is that money is being paid into the fund by coal producers faster than Congress is appropriating the funds to the States that need to carry out reclamation projects.

A unique problem with the operation of the AML program is that

moneys allocated by the Office of Surface Mining to be appropriated to the States are counted in the budget as increasing the deficit. This distorts the nature of the fund.

The abandoned mine reclamation fund is made up of money from one source—coal producers—and the fund can be used for only one purpose—to carry out abandoned mine reclamation projects. Similar sole-purpose trust funds set up by Congress are not subject to budget scorekeeping that shows an increase in the deficit when money is appropriated from them. The abandoned mine reclamation fund should not be subject to such procedures.

One result of showing increases in the deficit when moneys are appropriated from the fund is to put pressure on OSM to reduce its request for spending from the fund. OSM officials have testified before the Subcommittee on Interior and Related Agencies, on which I serve, that a State's ability to spend AML funds efficiently should be the measure of the amount that that State receives from the fund. I strongly support that position, and I do not want to see OSM inhibited from requesting a sufficient appropriation from the fund because of budget scorekeeping anomalies.

In the case of West Virginia, the State has a record of efficient operation of its AML program. Senator HUDDLESTON and I added an amendment to the fiscal year 1983 Interior appropriations bill to provide $54 million in additional appropriations for the AML fund. Despite this addition, OSM had been reluctant to allocate some States the funds that they requested.

My State of West Virginia requested $17.8 million for fiscal year 1983 reclamation projects. The Office of Surface Mining was preparing to allocate a lower amount, despite West Virginia's ability to spend the full $17.8 million in an effective manner.

I expressed my concern about the amount of funds OSM planned to make available to West Virginia in a letter, and a telephonic conversation directed to OSM Director James R. Harris. He gave me assurances on Monday, May 2, that OSM was in the process of preparing a request for supplemental appropriations for the AML program. The supplemental request is to be sufficient to bring West Virginia, and other States, up to their requested funding level, after accounting for any fiscal year 1982 funds carried over into this fiscal year.

For these reasons, I support Senator HUDDLESTON's efforts to focus attention on the need for additional funding for the abandoned mine lands program, and for a change in the budget scorekeeping procedure applied to the abandoned mine reclamation fund.

Mr. HUDDLESTON. Mr. President, I ask unanimous consent to withdraw the amendment I have just submitted.

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

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be charged equally.

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

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 1234

(Purpose: To add funds for unemployment compensation)

Mr. METZENBAUM. Mr. President, I send an 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 Ohio (Mr. METZENBAUM) proposes an amendment numbered 1234.

Mr. METZENBAUM. 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 3, increase the figure on line 12 by $480,000,000.

On page 3, increase the figure on line 13 by $1,070,000,000.

On page 3, increase the figure on line 14 by $1,690,000,000.

On page 3, increase the figure on line 15 by $1,730,000,000.

On page 3, increase the figure on line 18 by $1,000,000,000.

On page 3, increase the figure on line 19 by $2,120,000,000.

On page 3, increase the figure on line 20 by $3,290,000,000.

On page 3, increase the figure on line 21 by $3,490,000,000.

On page 3, increase the figure on line 25 by $1,000,000,000.

On page 4, increase the figure on line 1 by $2,120,000,000.

On page 4, increase the figure on line 2 by $3,290,000,000.

On page 4, increase the figure on line 3 by $3,490,000,000.

On page 4, increase the figure on line 6 by $1,000,000,000.

On page 4, increase the figure on line 7 by $3,120,000,000.

On page 4, increase the figure on line 8 by $6,410,000,000.

On page 4, increase the figure on line 9 by $9,900,000,000.

On page 4, increase the figure on line 13 by $1,000,000,000.

On page 4, increase the figure on line 14 by $2,120,000,000.

On page 4, increase the figure on line 15 by $3,290,000,000.

On page 4, increase the figure on line 16 by $3,490,000,000.

On page 19, increase the figure on line 2 by $450,000,000.

On page 19, increase the figure on line 3 by $970,000,000.

On page 19, increase the figure on line 10 by $900,000,000.

On page 19, increase the figure on line 11 by $1,950,000,000.

On page 19, increase the figure on line 18 by $1,300,000,000.

On page 19, increase the figure on line 19 by $2,900,000,000.

On page 20, increase the figure on line 2 by $1,100,000,000.

On page 20, increase the figure on line 3 by $2,860,000,000.

On page 25, increase the figure on line 6 bu $30,000,000.

On page 25, increase the figure on line 7 by $30,000,000.

On page 25, increase the figure on line 11 by $170,000,000.

On page 25, increase the figure on line 12 by $170,000,000.

On page 25, increase the figure on line 17 by $390,000,000.

On page 25, increase the figure on line 18, by $390,000,000.

On page 25, increase the figure on line 23 by $630,000,000.

On page 25, increase the figure on line 24 by $630,000,000.

On page 28, insert before the period on line 8 a comma and "except that the Senate Committee on Finance and the House Committee on Ways and Means shall not submit recommendations by such date to the Committee on the Budget of their respective Houses unless such recommendations contain provisions to amend the Federal-State Extended Unemployment Compensation Act of 1970 as follows:

(1) by adding at the end of section 203(d) the following new sentence: "With respect to compensation for weeks of unemployment beginning on or after July 1, 1983, and before the first week thereafter which begins in a month following a month for which the national total rate of unemployment (as determined by the Bureau of Labor Statistics) is below 6.6 percent, determinations shall be made under this subsection as if paragraph (1) did not contain subparagraph (A) thereof."; and

(2) in section 203(e)(1)(A), by striking out "individuals filing claims for regular compensation" and inserting in lieu thereof "individuals filing claims for compensation (including regular, extended, and sharable regular compensation)" effective for weeks beginning on or after April 9, 1983.

Mr. METZENBAUM. Mr. President, the amendment I am offering is designed to correct a defective provision of the 1981 reconciliation bill. Unless modified, that provision will have the unintended result of terminating by October 1 the eligibility of 23 States to participate in the extended unemployment benefits program.

My amendment instructs the Finance Committee to modify the appropriate formula in such a manner as to preserve the eligibility of those 23 States and to permit as many as 6 more to qualify for extended benefits.

The source of our problem is a change enacted by the 1981 bill in the insured unemployment rate formula. When you get into this question of the insured unemployment rate, it be-

comes a little technical and sticky, but the fact is that it works out very unfairly to the State with very high unemployment.

The insured unemployment rate is based on the number of persons eligible for unemployment insurance. Since not all unemployed persons are eligible for unemployment insurance, the IUR—the insured unemployment rate—is usually and almost always below the more familiar seasonally adjusted unemployment rate.

Under current law, if a State's insured unemployment rate is 5 percent or more and 120 percent of the average insured unemployment rate in the prior 2 years, it is eligible for extended benefits. At a State's option, it also qualifies for extended benefits if it has an insured unemployment rate of 6 percent.

The 1981 reconciliation bill made two crucial changes that are causing hardship today. First, it said that persons already receiving extended benefits would no longer be counted as unemployed for the purpose of calculating the insured unemployment rate. The effect of this change is to lower the insured unemployment rate of many States. That becomes terribly significant in view of the second change—raising the trigger for extended benefits eligibility from 4 to 5 percent and raising the optional trigger from 5 to 6 percent.

Again, we are getting into an area that is quite confusing, and I think it is important that I explain why this was done.

The 1981 Reconciliation Act really related very directly to supply-side economics, to the concept that the economy was going to turn the corner and that we were supposed to bring about instant movement in our stagnant economy. Unfortunately, that did not occur. But the 1981 Reconciliation Act assumed that supply-side economics would produce a real economic growth rate of 4.2 percent in fiscal 1982 and 5 percent in fiscal year 1983. As a matter of fact, under those projections, unemployment was expected to decline from 7.2 percent in fiscal year 1982 to 6.6 percent in fiscal year 1983.

What really happened? The real economic growth rate in fiscal year 1982 was not 7.2 percent but was minus 1.3 percent. In fiscal year 1983, in the first two quarters, it is running at 0.2 percent, as compared to the projection of 6.6 percent plus.

Unemployment as of March 1983 continues at 10.3 percent.

Mr. President, my colleagues in the Senate, 10.3-percent unemployment in this country is chaotic in some areas. In some areas, it is higher than 10.3 percent, as in my own State. It is creating misery and suffering.

But because of the rosy optimism that was built into Mr. Stockman's 1981 numbers, thousands upon thousands of jobless Americans stand to lose 13 weeks of extended unemployment benefits.

I point out to my colleagues, and I hope that they are listening on their boxes back in their offices, that this is not a problem that is indigenous just to some States. It does not apply only to States in the Northeast and the Midwest. It does not apply only to some States and not to other sectors of the country.

At the present time, the endangered States include the following: Alabama with 16.1 percent; Alaska, 12.5 percent; California, 11.9 percent; Idaho, 13 percent; Illinois, 13.8 percent; Indiana, 13.2 percent, Iowa, 10.8 percent; Louisiana, 11.6 percent; Maine, 10.9 percent; Minnesota, 10.3 percent; Mississippi, 12.4 percent; Montana, 10.6 percent; North Carolina, 10.2 percent; North Dakota, 8.9 percent; Ohio, 14.5 percent; Oregon, 13.1 percent; Rhode Island, 12.1 percent; Utah, 9.9 percent; Vermont, 8.1 percent; Virgin Islands, it is not available; Washington, 12.8 percent; Wisconsin, 12.7 percent; and Wyoming, 10.9 percent.

Mr. President, the budget resolution as it now stands assumes that only four jurisdictions—three States and Puerto Rico—will receive any Federal unemployment benefits at the beginning of fiscal year 1984.

I repeat that: The budget resolution as it now stands assumes that only four jurisdictions—three States and Puerto Rico—will receive any Federal unemployment benefits at the beginning of fiscal year 1984.

Yet the budget assumes that unemployment will remain at 10 percent. The budget says, in other words, that 11.3 million Americans will be out of work and that the Federal Government will provide no assistance.

If you live in my State of Ohio where unemployment is 14.5 percent, you get nothing. If you live in Alabama where it is 16.1 percent, you get nothing. If you live in Alaska where it is 12.5 percent, you get nothing.

Mr. President, this amendment is so fair, reasonable, and logical that I hope it might even be accepted by voice vote. This amendment really has to do with fairness and equity.

This budget does not provide for the 13 weeks of extended benefits that have always been available to States with high unemployment. I do not think there is any willful intent to deny. But the 1981 Reconciliation Act provisions became so tough and were predicated upon such rosy optimism as to what was going to happen to the economy that Congress accepted it. Now it is time for us to meet that challenge and to make the change.

This budget does not provide supplemental benefits of between 8 and 14 week that are now available to the unemployed. It will not be available after October 1.

This budget says to the States, "Take care of your own and do so in the face of across-the-board cuts in Federal support."

To those States that have to borrow from the Federal Government to pay their unemployment benefits, this budget says, "You get even less from the Federal Government," and this comes a little more than 1 month after we insisted that States which borrow reduce their own benefits in order to qualify for relief from pending loan repayments to the Federal Government.

Need I remind you that we just recently passed legislation that said that those States that had borrowings from the Federal Government had to reduce their benefits or increase the taxes on the employers in order to qualify for relief from pending loan repayments to the Federal Government.

My amendment directs the Finance Committee to make two changes in current law. First, it calls for the suspension of the 120-percent requirement until national seasonally adjusted unemployment falls below 6.6 percent, the unemployment rate that Congress anticipated would exist at the beginning of fiscal year 1984 when the higher trigger rates were enacted.

Second, the amendment returns the insured unemployment rate formula to its 1981 form by treating persons receiving extended benefits as unemployed.

Enacting my amendment is tantamount to extending the unemployment benefits program for the rest of this fiscal year and into next year. It brings help where help is most needed, to the States with the highest rates of unemployment.

I believe that we have an obligation to assist millions of Americans who are unemployed for reasons not of their own making.

I hope, therefore, that the Senate will act favorably on this urgently needed amendment.

Let me just point out that in America today, and pretty much across the country, there are people standing in food lines who cannot provide the food to put on the table for their own families, for their children.

In 1976, two-thirds of the 7.6 million unemployed received either regular or extended benefits. In 1982, with an average of over 10 million unemployed, only one-third received benefits. I emphasize in 1976, with 7.6 million unemployed, two-thirds of them received regular or extended benefits. In 1982, with over 10 million unemployed only one-third received benefits.

All I think we are saying here is that this is equitable, this is fair; we should go back at least to the status we had in 1976, and I hope that this amendment will be accepted.

I hope that Members of this body will see fit to recognize its fairness and its equity.

Mr. President, at this point, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is not a sufficient second.

Mr. DOMENICI. We will help get additional Senators later for a sufficient second.

Mr. METZENBAUM. Very good.

Mr. President, I ask unanimous consent to add Senators LEVIN, RIEGLE, and CRANSTON as cosponsors.

The PRESIDING OFFICER. Without objection it is so ordered.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, let me first say to my good friend from Ohio, Senator DOLE will be here, since this subject matter is within his committee and he is very familiar with it. He, indeed, has other measures that that committee is considering to address these issues, which are much different and less expensive than those suggested by the add-on. Before we vote, we will have the distinguished Senator down here, and I understand he has some other Senators who want to come down, and we are not going to push this to a vote.

I would just like to make some points on the fiscal aspects of this amendment and then yield to my good friend from Kansas.

This amendment would increase the Federal deficit by $13 billion over the next 5 years. The 1981 Budget Reconciliation Act brought a bit more of the budget under the control of Congress and I am very hopeful that we will not today reverse the changes which we worked so hard to get just 2 years ago.

Congress has repeatedly authorized federally-funded benefits for the long-term jobless at a cost of about $4 billion in 1983. In March of this year, we passed an emergency jobs appropriations bill. The budget we have before us provides $6.8 billion in fiscal year 1984 for the Job Training Partnership Act, a major effort to retrain American workers.

Currently, 26 States are triggered on to the extended benefits including the home State of the distinguished author of the amendment, the State of Ohio. That is hardly the result one would expect from a system that is too restrictive.

According to the Department of Labor, the amendment offered by my colleague on the Budget Committee would add benefits for only 15 States, not 28 he has indicated would be added.

Of the 15 States which would be entitled to provide extended benefits to their unemployed workers, at least 8 are already borrowing, and that is borrowing money from the Federal Government to pay for current benefits, including the State of Ohio.

It is my understanding that other approaches for many of the States are far more acceptable than the approach that would be required by the suggested legislation that the distinguished Senator from Ohio seeks to fund. There are better ways to meet the need of the unemployed without further bankruptcy to the States. The Federal supplemental program which is fully federally funded is obviously a better way.

Now, Mr. President, I would like to yield to my friend from Kansas, who seeks to address the issue. I assume he will be here shortly and I suggest the absence of a quorum and charge it to my time.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOMENICI. 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. DOMENICI. I yield whatever time the distinguished Senator from Kansas requires.

Mr. DOLE. Mr. President, I thank the distinguished floor manager. I am sorry I missed the statement of the distinguished Senator from Ohio. I know his amendment is well intentioned. The problem is that the Metzenbaum amendment would undercut all the reforms we made in the unemployment compensation program in 1981.

As I understand it, the 3-year cost would add about $7.7 billion to the deficit. Over 5 years the cost would be over $13 billion. By forcing more States on to the extended benefits program we would also be aggravating the fiscal problems of a number of States that have been hard hit by unemployment.

I met with a number of Governors in Chicago earlier this year on the subject of unemployment. I must say they were not pressing for this unraveling of the reforms we made. They realize such an action would create additional problems for the States as well as for the Federal Government.

The Governors or their representatives did favor extension of the Federal supplemental compensation (FSC) program and changes in the loan reform structure. But there was a general agreement that we should not undo the 1981 reforms in the extended benefit program.

We are advised that under present law and using current economic assumptions the Labor Department estimates that three States, Michigan, Pennsylvania, and West Virginia, and Puerto Rico will certainly be on the extended benefits program October 1, 1983. This number could well be higher. All of these estimates depend on many factors between now and October.

The Senator from Ohio would claim the enactment of his amendment would trigger 28 States on the EB program and I will furnish for the record those States:

Alabama,* Alaska, Arkansas,* California, Idaho,* Illinois,* Indiana,* Iowa,* Kentucky,* Louisiana,* Maine,* Minnesota,* Mississippi, Montana,* Nevada, New Jersey,* North Carolina, Ohio,* Oregon, Rhode Island,* South Carolina,* Tennessee,* Utah,* Vermont,* Virgin Islands,* Washington, Wisconsin,* and Wyoming.

The Department of Labor, however estimates only 11 States would be affected by the Metzenbaum amendment:

Alabama,* Alaska, Arkansas,* Idaho,* Illinois,* Kentucky,* Louisiana,* Mississippi, Ohio,* Oregon, and Washington.

A number of those States including Alabama, Arkansas, Idaho, Illinois, Kentucky, Ohio, and Louisiana, are States with outstanding loans, and I have indicated the other States that might be affected.

The Metzenbaum amendment would roll back an important unemployment compensation reform enacted in the Omnibus Reconciliation Act of 1981, as well as suspend a longstanding provision of Federal law:

First, it would suspend the definition of insured unemployment rate (IUR) which excludes claimants receiving extended benefits from the IUR calculation. This 1981 Reconciliation Act reform has been in effect since that act was signed on August 13, 1981.

Second, the Metzenbaum amendment would suspend the requirement that the IUR be 20 percent higher than that State's IUR during the comparable period in the 2 preceding years.

I know that the budget impact is not the only concern. It is the human impact. I do not quarrel with the Senator from Ohio's concern and I share it. We are working and have been working with the Senator from Ohio—on ways to extend the FSC program. We are also looking at programs to provide health care coverage for unemployed workers where the health insurance has expired. So we are concerned and involved.

However, I would hope that we do not adopt this spending amendment. It would hamper State solvency efforts and plunge many State programs further into a borrowing status. My colleagues from the borrowing States know that these States are now liable for interest payments on loans, and should loans not be repaid in a timely manner that State's employers will lose a portion of the Federal tax credit.

I am aware that reforms from the 1981 Reconciliation Act may cause some States to trigger off the EB pro-

gram while unemployment problems may persist in that State. However, emergency supplemental benefits are available depending on the unemployment level in each State. The Federal supplemental compensation program has been in effect since September 12, 1982.

Already, the FSC program has provided benefits to 2.5 million Americans at a cost of approximately $2.5 billion. By the end of this fiscal year, a total of over 5 million unemployed workers will have received some $5.5 billion in benefits. I would remind my colleagues this is all Federal money.

There is no State money involved. This is $5.5 billion in Federal money. We tried to target the FSC plan providing higher benefits where unemployment is higher. We hope we have been fair in those efforts.

But I would say, finally, this is a budget buster. No doubt about it. Whether it is 3 years at $7.5 billion or $7.4 billion or $7.8 billion or 5 years at $13 billion plus. It seems to this Senator that with all the problems we are having trying to reduce spending around here, with all the problems we are having trying to reduce the deficit, this amendment should be rejected. I know different Senators have different points of view on how that should be done.

We are going to have to face up to extending unemployment benefits in certain areas. I discussed this with Senator LEVIN and I know the Senator from Ohio is interested in that. We are trying to work out a colloquy where we would indicate that when that decision is made we will have the cooperation of the chairman of the Budget Committee and the chairman of the Finance Committee in securing a waiver. So we are addressing that area.

I would hope that we might reject this amendment.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I appreciate the comments of my good friend from Kansas. I would like to point out to him that this is not a new subject for the Senate. On August 5, 1982, we passed a sense of the Senate resolution as an amendment to the debt ceiling instructing the TEFRA tax conferees to include Federal Supplemental compensation and extended benefits. That was passed by a vote of 84 to 13.

I am very proud of the fact that cosponsors of that sense of the Senate amendment to the debt ceiling resolution included Senators SCHMITT, DIXON, LUGAR, BYRD, CHAFEE, KENNEDY, HEINZ, RIEGLE, PACKWOOD, LEVIN, DURENBERGER, DECONCINI, SPECTER, CANNON, PERCY, MATSUNAGA, RANDOLPH, PELL, HUDDLESTON, SARBANES, DANFORTH, DOMENICI, DOLE, and BAKER.

Now, in all fairness, the Senator from Kansas, as chairman of the conferees for the Senate, went to the conference and was successful in bringing back an amendment taking care of the problem with respect to Federal supplemental compensation, but the question of extended benefits reform was not covered. And I remember saying at that time on the floor of the Senate that I appreciated the efforts of the Senator from Kansas in taking care of the problem of the Federal supplemental compensation but regretted the fact the problem having to do with extended benefits, which was a part of our—yours and mine and Senator DOMENICI's—instruction, was not covered in that particular conference committee report.

I note the distinguished chairman of the Budget Committee has just returned to the floor and I just want to say I mentioned his name as being one of the cosponsors of the sense of the Senate amendment to the debt ceiling which was to instruct the TEFRA tax conferees to direct their attention to the problem of extended benefits and the problem of supplemental compensation. That supplemental compensation was satisfactorily resolved, or at least major moves were made in that direction, but the extended benefits problem was not actually resolved.

My friend, the chairman of the Budget Committee, Senator DOMENICI, and I may differ as to the merits of a proposal, but we should not differ with respect to the facts.

As I understood the distinguished Senator from Kansas, the chairman of the Finance Committee, he used the same figures that I used as far as the Department of Labor statistics are concerned, and that is that only 4 States will be triggered or will be obtaining extended benefits as of the end of fiscal year 1983, that is, as of October 1, 1983, those being Michigan, Pennsylvania, Puerto Rico, and West Virginia, and that 23 States will actually be off and very much in need.

I have a list in my hand—and I am certain that the Senator from New Mexico and the Senator from Kansas has it, we all have the same list—and I have represented to the Senate that 23 States would be triggered off as of October 1, 1983. And, as I just said, the Senator from Kansas confirmed that fact, as I thought I heard him say. The Senator from New Mexico said only 15 States could be affected.

I would suggest to the Senator from New Mexico that one of us is either right or wrong with respect to the facts. I am not looking for a confrontation but rather for clarification. I think it might be helpful if my staff and the Senator's staff were able to resolve the question as to whether indeed it is 15 or 23 States that would be triggered off as of October 1. I think we are dealing with a factual question.

Mr. DOMENICI. If the distinguished Senator would yield on my time, I think we are both right; 23 are triggered off but only 15 are triggered back on by yours. So I think we are both right.

Mr. METZENBAUM. It is my understanding, also, and again a factual question, my staff advises me that 29 will be triggered back on with our amendment and the Senator has indicated 15. Again, I think it would be helpful if we could get that matter clarified because again that has to be a factual question rather than an opinion.

Mr. DOLE addressed the Chair.

Mr. DOMENICI. Mr. President, I yield whatever time the Senator from Kansas desires.

Mr. DOLE. Mr. President, I mentioned earlier the impact on borrowing from the States. I want to make clear now that the extended benefits program is financed half from Federal unemployment tax receipts and half from State unemployment payroll taxes. So if, in fact, this amendment were adopted, we would impose a substantial burden on the States. In fact, the $7 billion borrowing by the States would have to increase. Some 30 States will find it necessary to borrow over $7 billion from the Federal Treasury this year to pay benefits under the regular and the EB programs according to the Department of Labor.

Making it easier to trigger on the EB program will simply increase the solvency problems of the States leading to even more borrowing. I think my colleagues will recall that interest of up to 10 percent is now being charged on these loans. This interest liability will reach nearly a half-billion dollars in fiscal year 1983 and over $1 billion in 1984.

Because States are not permitted to use unemployment tax revenue to pay the interest charges, those funds must be either diverted from other State programs or raised through new State taxes. This is a burden we should not force on the States.

The Senator's amendment would force these borrowing States to go deeper into debt by requiring extended benefits to be paid. Take Ohio, for example. As of March 31, 1983, Ohio had outstanding loans from the Federal Treasury of some $2 billion. Ohio must take substantial action to restore solvency to its State UC program. Otherwise, on September 30, 1983, Ohio will owe interest payments of an estimated $75 million. Loans to Ohio in fiscal year 1984 may total over $1 billion—without the increase which would occur if we adopt this amendment.

The State budget impact of this amendment must not be ignored. Of

the 28 States, or whatever number may be affected by this proposal, about 20 have outstanding loans and may be expected to continue borrowing. And I assume that some of those that are not borrowing will have to borrow in fiscal year 1984.

It just seems to me that at a time when we are trying to encourage States to tighten up their programs and be less dependent on Federal borrowing, we should not require increased spending.

I appreciate the Senator's comments with reference to the resolution which I did support. But the record will also show, even though we did not accomplish everything in that little resolution, we have since that time extended FSC programs on two occasions at a substantial cost. We also increased the individual entitlement duration.

Again, I would assure the Senator from Ohio that we are not unmindful of the concerns of the unemployed. We are sensitive to their needs. We hope we have been responsive.

We just cannot afford this amendment even if it were good policy. Since it is bad policy we cannot afford it whatever the cost.

Mr. DIXON. Mr. President, I join my colleague from Ohio in support of this amendment. It is yet another attempt to address the problems which have resulted from changes in the unemployment insurance system, implemented last September.

My State of Illinois currently suffers an unemployment rate of 12.2 percent. We are fourth highest among the 10 large States and have 692,000 people out of work. Our insured unemployment rate is 6.47 percent. This entitles the State to pay extended benefits, by virtue of the qualification that a State have an insured rate of 6 percent. There is another qualification, effective in most States, that extended benefits may be paid if a State has an insured rate of 5 percent, so long as it is 120 percent higher than the previous 2 years. Our rate is currently 124 percent higher, but it has been going down for the past month, and we will trigger off some time between July and October of this year.

There are 24 States currently eligible to pay extended benefits. The problem lies in the rest of this calendar year, when the administration estimates only four States will remain on extended benefits.

As you all know, the extended benefits program is the second tier of unemployment compensation. It is a 13-week program, paid jointly by the States and Federal Government. It follows the regular benefits program.

The amendment being offered today would change the qualifications for this program, which were made more stringent in 1982. I introduced similar legislation last August, in S. 2802.

It makes little sense for States with very high total unemployment rates to be ineligible to pay extended benefits, yet that is precisely what will occur without a change.

The method of calculating the insured unemployment rate no longer includes those individuals receiving extended benefits. It only includes those on the first 26 weeks of benefits.

Therefore the rate bears little or no resemblance to the actual level of unemployment a State suffers. We saw a similar occurrence last December, when the national unemployment rate was the highest in recent memory, 10.8 percent. At that time only 12 States were paying extended benefits, due to the method of calculating eligibility.

What do we tell the unemployed worker in Illinois, Michigan, Pennsylvania, or Ohio when he comes to us and asks why he is only eligible for 26 weeks of benefits? That person is not looking for statistical answers, he is looking for a way to put food on the table, for a way to pay the mortgage. These are not luxuries, they are necessities. And, without the changes we hope to enact, without the hope of finding work, these basic needs will not be met.

There has been a great deal of talk about a recovery. Well, I hope that it is here, but even if it is, the industrial States of this great Nation will not be in a position to see a level of full employment, or even a less devastating level of unemployment, for quite some time to come. All economists agree that unemployment is the last economic indicator to improve.

The provisions of this amendment would include extended benefits recipients in the calculation of the insured unemployment rate. It would also suspend the 120-percent rule until the national level of unemployment falls below 6.6 percent, thereby qualifying a State for extended benefits with an insured rate of 5 percent.

I urge my colleagues to consider the consequences if we do not make this change. If the administration is correct and only four States will be paying these benefits by the end of the year, people will want to know why we could not help them.

I am thankful that we were able to extend the Federal supplemental compensation program for an additional 6 months. That allows individuals to receive benefits beyond the regular 26 week program. But, if that program expires September 30, 1983, and a State no longer qualifies for extended benefits, which 46 States will not, then we are back to paying 26 weeks of benefits in a time when we must do more.

It is unfortunate that we must continue to deal with this dilemma in a piecemeal fashion. The system is patched up when an emergency situation exists. There are many of us who would like to see that changed. The unemployment insurance system is in great need of attention. It should be able to respond to critical times and to times when our Nation is prosperous and our people are working. It does not do that now.

This is another attempt at making some needed repairs in a safety net that is full of holes. Perhaps the time will come when we can put forth the conscientious effort necessary to weave a new net which will more adequately address the needs of the people we were sent here to serve.

I urge the adoption of this amendment.

Mr. RIEGLE. Mr. President, I rise as a cosponsor of the amendment offered by the Senator from Ohio. It allows for changes in the eligibility requirements of the extended benefit (EB) program to reflect more accurately a State's need to pay extended benefits.

Unemployment benefits have proven essential for the survival of the millions of unemployed Americans who have suffered through this recession. Sadly, their numbers have not decreased significantly. Over 11 million people remained unemployed across the Nation in March. The March unemployment rate of 10.3 percent, however, did not include another 1.8 million unemployed who were estimated to be discouraged workers—those individuals who had dropped out of the labor force because they believe that a job search is futile. Unemployed in my own State of Michigan remain frustrated and desperate because of the lack of jobs. The number of Michigan unemployed in March swelled to 720,000, resulting in an unemployment rate of 17 percent.

Despite the highest levels of unemployment in decades, assistance in the form of unemployment benefits reaches a significantly smaller percentage of unemployed today. While 81 percent of the unemployed qualified for assistance in April 1975, only 50 percent qualified in March. Much of this decrease reflects this administration's preoccupation with budget slashing at the expense of the unemployed. This slashing occurred primarily in the Budget Reconciliation Act of 1981, which made severe cuts in the unemployment insurance program by tightening eligibility requirements. We were told then that such changes were necessary to balance the budget and to reflect the lower unemployment rate that the administration predicted. The past 2 years, which have provided us with the highest budget deficit in history and the highest unemployment in decades, have made a mockery of this justification.

Consequently, it is time that we acted to undo some of those changes enacted in 1981. The Metzenbaum amendments calls for the Senate Fi-

nance Committee to do just that. It would allow that committee to make two changes in the EB program's eligibility requirements. These changes will reflect more accurately a State's need to pay extended benefits.

This amendment would allow the Finance Committee to change the IUR calculation so as to include individuals receiving regular or extended benefits. The IUR included both groups of individuals until 1981, when the Reconciliation Act dropped individuals receiving extended benefits from that calculation. Exclusion of these individuals from the IUR makes no sense. The unemployed worker who qualifies for extended benefits suffers the same predicament as the unemployed person who receives regular benefits: both are unemployed. Since both qualify for unemployment benefits, the IUR should not make a distinction between the two.

Exclusion of those individuals receiving extended benefits distorts the true unemployment picture. For example, if a State has been in a continuing recession and a large percentage of its unemployed cannot find jobs after 26 weeks when their regular benefits expire, the exclusion of these individuals will cause the IUR to drop. A falling IUR should indicate an improved economic situation in the State. In fact, that State's economic situation has not improved at all. Indeed, the IUR has ceased to act as an accurate barometer of unemployment. This is why my own State of Michigan triggered off the EB program in November 1981, despite having the highest unemployment rate in the Nation. This is why an enormous gap now exists between the regular unemployment rate and the IUR. That gap has grown from 0.8 percent in 1950 to 5.8 percent in March of this year. That gap was ever more prominent in Michigan. While Michigan's unemployment rate in March was 17 percent, its IUR averaged out to approximately 7.65 percent. Including EB recipients in the IUR calculation will help to restore some meaning to the IUR as a barometer of a State's economic situation.

The Metzenbaum amendment also allows for a change in the EB program's trigger rates. Current law permits a State to trigger on to the EB program if: First, its IUR equals or exceeds 5 percent and is at least 120 percent of the average IUR in the prior 2 years; or second, its IUR equals or exceeds 6 percent and the State has chosen to pay the benefits. Prior to the 1981 Budget Reconciliation Act, these trigger rates were 4 percent and 5 percent respectively. This amendment would allow for the suspension of the 120-percent requirement until the national seasonally adjusted unemployment rate drops below 6.6 percent. The administration forecast this 6.6-percent unemployment rate for fiscal year 1984 when the higher trigger rates were enacted.

Suspension of the 120-percent requirement will permit a more accurate reflection of a State's need to pay extended benefits. Requiring a State's IUR to exceed its average IUR of the prior 2 years poses an insurmountable burden for States with persistently high unemployment. Moreover, the fact that Michigan has not met this 120-percent requirement at any point this year does not reflect an improving unemployment situation. Rather, it reflects an increasing number of unemployed who have exhausted their regular benefits and who therefore are no longer included in the IUR. Combined with the increase in trigger rates, the 120-percent factor represents an unrealistic eligibility requirement that unfairly burdens States with persistently high unemployment rates.

Mr. President, this amendment allows for changes that will prevent many States from triggering off the EB program. Most importantly, it allows for changes that will reflect more accurately a State's eligibility for the EB program. Consequently, I hope that my colleagues will support it.

Mr. DOMENICI. Mr. President, I have told the distinguished Senator from Ohio it is my intention to move to table, if the distinguished Senator from Kansas has nothing further.

Mr. President, I move to table the Metzenbaum amendment and ask for the yeas and nays.

I yield back the remainder of my time.

Mr. METZENBAUM. I yield back the remainder of my time.

Mr. DOMENICI. I ask for the yeas and nays on my motion to table.

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

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico. The yeas and nays have been ordered and the clerk will call the roll.

The bill clerk called the roll.

Mr. STEVENS. I announce that the Senator from Alabama (Mr. DENTON) is necessarily absent.

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

Mr. CRANSTON. I announce that the Senator from Connecticut (Mr. DODD) and the Senator from Hawaii (Mr. MATSUNAGA) are necessarily absent.

The PRESIDING OFFICER (Mr. HUMPHREY). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 63, nays 34, as follows:

[Rollcall Vote No. 71 Leg.]

YEAS—63

Abdnor	Garn	Nickles
Andrews	Goldwater	Nunn
Armstrong	Gorton	Packwood
Baker	Grassley	Percy
Baucus	Hatch	Pressler
Bentsen	Hatfield	Quayle
Bingaman	Hawkins	Roth
Boren	Hecht	Rudman
Boschwitz	Heinz	Simpson
Chafee	Helms	Specter
Chiles	Humphrey	Stafford
Cochran	Jepsen	Stevens
Cohen	Johnston	Symms
D'Amato	Kassebaum	Thurmond
Danforth	Kasten	Tower
DeConcini	Laxalt	Trible
Dole	Long	Wallop
Domenici	Lugar	Warner
Durenberger	Mattingly	Weicker
East	McClure	Wilson
Exon	Murkowski	Zorinsky

NAYS—34

Biden	Hollings	Moynihan
Bradley	Huddleston	Pell
Bumpers	Inouye	Proxmire
Burdick	Jackson	Pryor
Byrd	Kennedy	Randolph
Cranston	Lautenberg	Riegle
Dixon	Leahy	Sarbanes
Eagleton	Levin	Sasser
Ford	Mathias	Stennis
Glenn	Melcher	Tsongas
Hart	Metzenbaum	
Heflin	Mitchell	

NOT VOTING—3

Denton	Dodd	Matsunaga

So the motion to lay on the table amendment No. 1234 was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the motion was agreed to.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, I understand that the distinguished Senator from Kansas will now offer an amendment with reference to the subject of health care for the unemployed, and I will yield the floor at this time.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

AMENDMENT NO. 1235

(Purpose: To add additional funds for health care assistance for the unemployed)

Mr. DOLE. Mr. President, I am shortly going to send an amendment to the desk for myself and the Senator from Minnesota (Mr. DURENBERGER) and both Senators from Pennsylvania, Senator HEINZ and Senator SPECTER, and the distinguished Senator from Rhode Island (Mr. CHAFEE), the distinguished Senator from Alaska (Mr. STEVENS), and I think perhaps Senator BRADLEY and others may want to join.

What we propose to do is to make provisions for health care benefits for the unemployed but also to indicate in our amendment that we will find the revenue to pay for such benefits.

We are not suggesting precisely how that may be done. It seems to me that if, in fact, we are going to provide health care for any unemployed workers, we must move responsibly and tell our colleagues and others who have an interest in this area that we are not only going to offer an amendment to do that, but we are also willing to find the revenues to pay for it

Mr. President, I should like to add the distinguished Senator from New York (Mr. MOYNIHAN) as a cosponsor, and I will check with Senator BRADLEY, but I know there are other Members on both sides who may want to participate in the debate and cosponsor the amendment.

Mr. President, we will be going into conference with the House on this general concept of providing health care asssistance for the unemployed. I believe there ought to be some room for negotiation. The House has already decided to spend $2.7 billion per year on an entitlement program to provide health benefits for the unemployed. I believe we ought to go to these negotiations with a realistic and a conservative figure. These entitlement programs tend to far outstrip the cost estimation.

We do not have any idea what the House provision might finally cost, so what we are proposing is a program of about $1.8 billion over a 3-year period: $200 million in fiscal 1983, $900 million in 1984, and $700 million in 1985. Our approach to this problem should reflect the need for——

The PRESIDING OFFICER. Will the Senator suspend? Does the Senator wish to send an amendment to the desk?

Mr. DOLE. Yes; I am now prepared to send the amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Kansas (Mr. DOLE), for himself, Mr. DURENBERGER, Mr. HEINZ, Mr. SPECTER, Mr. CHAFEE, Mr. STEVENS, and Mr. MOYNIHAN, proposes an amendment numbered 1235.

The amendment is as follows:

On page 3, line 12, increase the figure by $255,000,000.

On page 3, line 13, increase the figure by $900,000,000.

On page 3, line 14, increase the figure by $675,000,000.

On page 3, line 18, increase the figure by $225,000,000.

On page 3, line 19, increase the figure by $900,000,000.

On page 3, line 20, increase the figure by $675,000,000.

On page 2, line 8, increase the figure by $225,000,000.

On page 2, line 9, increase the figure by $900,000,000.

On page 2, line 10, increase the figure by $675,000,000.

On page 2, line 14, increase the figure by $225,000,000.

On page 2, line 15, increase the figure by $1,125,000,000.

On page 2, line 16, increase the figure by $1,800,000,000.

On page 17, line 1, increase the figure by $225,000,000.

On page 17, line 2, increase the figure by $225,000,000.

On page 17, line 8, increase the figure by $900,000,000.

On page 17, line 9, increase the figure by $900,000,000.

On page 17, line 15, increase the figure by $675,000,000.

On page 17, line 16, increase the figure by $675,000,000.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the time that the Senator has consumed in explaining the amendment be taken from the bill and not from the time on the amendment.

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

Mr. DOLE. I appreciate the action by the distinguished chairman of the Budget Committee.

Mr. President, providing health benefits for the unemployed means replacing coverage workers lost due to their involuntary unemployment. It does not mean national health insurance. It does not mean covering everyone who is without a job. We want to make that clear.

We are concerned about those who have involuntarily lost their jobs, those who are willing to go back to work, although there is no work to go back to. Many of these workers, whether men or women, have children. It seems to us that there is a need that should be met.

Obviously, we cannot take care of every concern or every person who may be out of work. Unfortunately, I think that may be the effort made on the House side, with a very expensive $2.7 billion program each year for a 3-year period. As indicated, ours would be a total of about $1.8 billion over a 3-year period, and in my view it is an appropriate way to proceed.

There are about 11.4 million unemployed Americans at this time. Not all those Americans have lost health care coverage because of their unemployed status. Almost 1 million voluntarily left their jobs. About 3.7 million more of the 11.4 million may be unemployed for reasons other than losing their jobs.

It seems to me we are talking about possibly 7 million workers; but again I stress that we must take a responsible approach, and I believe that ours is a responsible approach.

Obviously, we cannot provide unlimited or even emergency-type health benefits for everyone. Some money must come from the States, some coverage must be and will be available under medicaid, and some will be provided by private insurance. Some must continue to be provided without cost to any Government agency through physicians, hospitals, and others who I think have been doing an outstanding job. In fact, we had testimony from physicians that more than 70 percent of the physicians in this country have been providing free care, working in clinics and otherwise making an effort to assist those without employment.

We are also advised by the American Hospital Association and the Federation of American Hospitals that hospitals are making an effort to provide low-cost care, and this has been extremely helpful to many people who are out of work.

Mr. President, I am prepared to yield to the distinguished Senator from Minnesota and other cosponsors of the amendment.

Mr. DURENBERGER. Mr. President, I thank the chairman of the Finance Committee for encouraging us to bring up this matter. I know that this matter has been discussed in the Budget Committee, and Members on both sides of the aisle have demonstrated a great deal of concern for a problem which is not necessarily unique in this country—it has existed for a long time—but its prevalence in light of the recession is something that, in effect, cries out for some solution.

I wish to add a couple of observations about the proposal.

One is to clarify, from my standpoint, what our objectives are in suggesting the need for legislation, and that is to identify those people in this country who lie between all the persons on one hand who are currently employed and receiving insurance through that employment arrangement, or those who are self-employed and purchasing insurance, or persons who are not employed but are purchasing individual health insurance policies, and those retired persons, about 29 million of the 36 million people over 65 in this country, who are participating in the medicare program. All those people are on one side of this equation.

On the other side, we have a system in this country which provides for certain persons who qualify, by reason of the family situation and income status, for the medicaid program.

We also have a tradition in this country that is nearly as old as the country, of providing, through a charity hospital system, for persons who do not have any other means of access to hospital care or doctor care.

One of the phenomena occurring now is that public hospitals all over the country are seeing a lot more people than before and that taxpayers in counties or other local government areas all over the country are picking up a much greater burden of this cost.

As the chairman of the Finance Committee indicated, there is another category of charity out there, and that is the Federal providers, who have traditionally stepped into the gaps be-

tween people's ability to pay and their health needs. They are stepping in and filling those gaps partially.

However, one of the observations that doctors and hospitals have made to us in the hearings held by the Finance Committee, is that people come to them only when they absolutely have to—after the appendix has burst, so to speak, rather than when they first feel the pain.

One of the deep concerns we all have is that there are a lot of people not receiving care at a time when they should be receiving care. They are waiting until it is too late. There is not much that charity can do about that sort of thing, and it is actually costing us more in health care dollars than it should.

So between those two areas you will find nationally about 5.3 million or 5.5 million persons who are unemployed but are entitled to some sort of unemployment compensation. If you include their families—their nonworking spouses and their children—the number goes up to approximately 11 million.

Those are the people we are trying to provide for. We are trying to provide in at least two or three different ways: One, start the process of changing employment-based insurance contracts so that, to a degree, working people will be bearing part of the cost of those who are temporarily out of work.

So the legislation we have been looking at, and which is contemplated by what the chairman has in this amendment, would contemplate changes in the private insurance contracts to cover some of those people.

Second, the States already have the right, if they want to exercise it, to set up programs in which part of the unemployment compensation payment is used to purchase insurance policies. But there is no limitation on that right, so most States have not even started the process.

What the proposal we are considering would do, in effect, would be to encourage the States to go ahead with State-based programs, put a limit across this country on how much of the unemployment compensation check would be used to buy insurance; and the limit we have been talking about is 8 percent of the weekly unemployment compensation payment.

We would permit the States to also impose cost sharing up to a limit.

So I think it is very appropriate that this issue is raised. This amendment encapsulates the concerns of many people on both sides of the aisle who care about health care needs of the unemployed, and I urge my colleagues to support this amendment.

Mr. HEINZ. Mr. President, I am pleased to join with Senator DOLE, Senator DURENBERGER, Senator SPECTER, and others in offering this amendment.

As my colleagues know, a number of us have been working for 4 months to find a way to alleviate the burden on the unemployed of the high cost of health insurance purchased at individual rates, or spending down to meet the asset test for medicaid eligibility. We have been looking for a pragmatic solution which would bridge this gap. In the worst of cases, we have heard testimony from witnesses such as Tom Samek, an unemployed coal miner from Crucible, Pa., before the Finance Committee; he cannot afford health insurance, and is still faced with a hospital bill of almost $6,000 for the delivery of his third child. He has exhausted all sources of income, including his unemployment compensation. If Tom Samek or any member of his family needs medical care next week, a choice must be made. He must either go with health care, or wait, hoping his problem or his family's health problems, whatever they may be, will go away. Given the high cost of medical care services, a person might have to choose between his health and whether or not his family has food on the table and a roof over their heads. Clearly, this problem must be addressed.

Mr. President, the amendment we are offering will provide room in the budget for $1.8 billion over the next 2½ fiscal years to fund an emergency program for health benefits for the unemployed and their families. Essentially, this amounts to $900 million for the operation of a 2-year program, which will in effect be a flexible kind of block grant to the States.

The amendment is not only responsible in that it meets the test of flexibility; each State will have the option of helping those individuals most in need in the most appropriate way. It also meets the test of fiscal responsibility because the amendment commits the Finance Committee to raise sufficient revenues to offset any net budgetary cost to this amendment.

I should like, Mr. President, only to reflect on some of the testimony that we have heard before two committees of the Senate. This testimony has confirmed that there is a problem. Those Senators from States like Pennsylvania see the problem firsthand. We see it concentrated in areas of highest and most persistent unemployment, like western Pennsylvania which is my home. But it is also important to have the big picture in mind because a lot of what goes on is hidden from view. The magnitude of this problem cannot be seen because it is hidden in homes darkened because the electricity bill cannot be paid. It is disguised because people do not want to admit they have a problem. It is shuttered away because there are some people with a great deal of pride who are very much afraid of the possible consequences of a health care bill they cannot pay for.

These types of behavior, Mr. President, are not easily measured. We know there are some 10 million Americans without health insurance because of a job loss; either Americans who are unemployed or members of their families. If an unemployed member of a family which includes a worker could speedily enroll in the policies of those who have them that number of 10 million might be reduced to 8 million or 6 million. But whatever the numbers are reduced to; whatever other changes we enact to help those people so they enroll in other family insurance coverage; we are still talking about millions upon millions of Americans who have a very real problem getting affordable health care.

I suggest, Mr. President, that if we delay any longer on addressing this problem, if we for some reason fail to adopt this amendment, we will be delaying not just action by this body, action by Congress, but we will be denying through delay a healthy life to many Americans. If we do not act, many of the unemployed will probably continue to delay seeking treatment for their health care needs. Having so delayed treatment they will find themselves not only prejudicing their own long-term health but inflicting unwillingly, of course, on our society and ultimately on our taxpayers the cost of treating them at much greater expense for more severe illnesses. If these health care problems had been addressed early on, they could have been treated at much less expense.

I view this amendment, therefore, Mr. President, as preventive health care. If there is one thing we talk about in this body, it is cost-effectiveness. We all want to see the Government use the taxpayers' money wisely.

I suggest the approach that Senator DOLE and I and others advocate here is preventive health care in its best sense; it is cost effective; it does address compelling human needs; and, today is the day for the Senate to go on record in addressing those concerns.

Mr. QUAYLE. Mr. President, I ask unanimous consent that I be added as a cosponsor to the Dole-Heinz-Durenberger-Specter, et al. amendment.

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

Mr. QUAYLE. Mr. President, as the Senator from Pennsylvania pointed out there are two committees that are looking at this legislation. Our Committee on Labor and Human Resources, more specifically the Subcommittee on Employment and Productivity, held a day of hearings this week. We have one more day of hearings scheduled next week, and then we will proceed to mark up legislation and hopefully be able to report it out in a

sport period of time dealing with the very important problem of what we are going to do with the unemployed, more specifically what this amendment is talking about and how we are going to deal with health insurance and health benefits for the unemployed. I think, Mr. President, the first question I ask myself, and I think others have asked themselves as we looked into this problem is, is there a need, is there truly a need for the Congress to establish a health benefits program for the unemployed? I would hasten to add that perhaps not too many or perhaps not many offices have been inundated with a lot of mail on this particular issue. A lot of people are writing and requesting health benefits for those being unemployed but I do not believe that statistic alone would answer the question whether there is a need.

I believe the need was certainly demonstrated at our committee hearings where we had testimony from not only the medical profession but the hospital associations. We had testimony from administrators, we had testimony from the unemployed themselves. We had testimony from the insurance industry, and to a person they said there certainly was a need and they emphasized that the need was in preventive health care rather than perhaps the catastrophic illness or major accidents. The preventive health care aspect was emphasized time and time again throughout the day of hearings, and I believe that is certainly the proper course that I would like to see us take.

There are a number of suggestions that have been touted. As a matter of fact, the Senator from Pennsylvania, both Senators from Pennsylvania, Senators HEINZ and SPECTER, introduced 811 that deals with the health block grant concept, and I believe that is certainly a concept that at least from a theoretical point of view I would endorse. I believe that will in the long run prove to be the most efficient, most effective way that we get immediately at the problem of providing health benefits to the unemployed who are not presently receiving them.

I believe the biggest problem we have today are those people who are simply putting off seeking health care because they do not have insurance and do not have coverage. I think of the pregnant woman who simply puts off prenatal care because she does not have the coverage, and this is going to not only be harmful to the woman but also harmful to the child and in the long run, as Senator DURENBERGER pointed out, this is going to cost us more. Preventive health benefit measures is money very well spent and I believe this is just one example of how you can see a deterioration in the health care of poor individuals who have the very unfortunate aspect of being unemployed.

I believe all will have to be participants in this, I believe the unemployed will be participants, I believe the employers will be participants, the insurance industry, hospitals, the medical profession, and I believe the proper way would be to prescribe minimum benefits first on what kind of minimum coverage we would like to see the unemployed receive.

Mr. President, this is, these facts and these issues are, for another day. Today we are confronted with adding money to the budget $0.2 billion in 1983, $0.9 billion in 1984, and $0.7 billion in 1985. There is also language in this amendment of revenues that offset these expenditures. From a philosophical point of view adopting the so-called pay-as-you-go type aspect I think is perfectly proper. I believe it is proper in this case and a concept with which I heartily agree with the chairman of the Senate Finance Committee.

I want to applaud him in moving his committee forward. I believe the issue of the unemployed is serious. I believe the issue of the lack of benefits in health coverage for the unemployed is serious and I am certain with his conviction and what he has done in the past he will be able to lead his committee in what they think will be the best way to proceed with this problem.

I am also convinced, I and others and particularly the chairman of the committee, Senator HATCH, the ranking member, Senator KENNEDY, on my subcommittee Senator METZENBAUM, in our Committee on Labor and Human Resources are very interested in the unemployed problem, very interested in what we can do with health benefits for the unemployed, and I am sure as we individually move as committees, that as we get to the floor of the Senate we will be able to collectively combine our ideas to the facts and resources that we receive in the committee and be able to come to agreement very quickly on what should be the best mechanism, of what should be the amount of funding and what the source of revenues should be for this very important program.

I salute the chairman of the Finance Committee for bringing this to the floor at this time, moving it forward with great dispatch, and I look forward to working with him and others on this very important issue. I think the time and immediacy are of great concern. There is an immediate problem out there that must be dealt with, and it must be dealt with now.

So we may debate the particulars of this issue, but let us not disagree that something ought to be done, and I believe that having two committees moving in this direction, hopefully the Senate will go on record in very strong support for the amendment, that then we will be able to get on with the budget process, get on with the appropriations process and be able to do something for the unemployed in the nature of health insurance and health benefits.

Mr. DOLE. Will the Senator from Indiana yield?

Mr. QUAYLE. I will yield to the distinguished chairman.

Mr. DOLE. I just want to thank the distinguished Senator from Indiana for his leadership. He, probably earlier than any other Member in this body, started urging us and those in his own committee to start focusing on the problem. It is a problem we must address, and I know this is a start.

I want to assure the Senator from Oregon, who is on the floor, we have not tried to identify how it will be paid for. I have a view, you have a view, and I am not certain much can be done, maybe very little. I did meet with members of organized labor yesterday, and they have gone back to look at other alternatives, and we are trying to work with the impacted groups. Whether it is a cap or whatever it might be, I thought it was only responsible to suggest we are going to have a program which is going to be offset in some way to pay for it. So we have not specified how that will be done, but I do think it is important we recognize it should be done.

Mr. QUAYLE. I certainly want to emphasize and underscore I agree with the chairman's concept of pay-as-you-go. We have no jurisdiction on the revenues, but we have as to what kind of mechanism would go into effect. We would not want to specify but in our bill we probably will want to report out it wil be conditioned on the finances and argue whether it should be health block grant or other mechanisms. But I want to underscore I appreciate your bringing it to the floor at this particular time, indicating we are showing momentum in this area and the immediacy is of concern to me. We have to get on with focusing on this problem. I know you have and others in this Chamber have and I think it is just great we have brought it on the floor and showed two things: We are going to somehow vote benefits for the unemployed, and, two, we believe in the concepts you have outlined it should be paid for.

Mr. PACKWOOD. I want to thank the Senator from Kansas for indicating that it is not necessarily a quid pro quo trying to get money out of health caps, and I admire his statement and that of the Senator from Indiana if we are going to have these programs we should pay for them. I wish as we consider this we have the same philosophy on the rest of the programs in the budget.

Mr. DOLE. I thank the Senator from Oregon. We are trying to find appropriate ways. I do say, following the practice of my predecessor, Senator

LONG, if we are going to send out some programs from the Finance Committee we ought to be able to find resources to pay for them. We did not always follow that but when we could we did follow that policy.

This Senator certainly recognizes the strong opposition of imposing any health care cap. We have been meeting with insurance companies who oppose it and others who write group insurance as well as organized labor. There may be some realistic compromise somewhere but if not, there are other areas we can address or look to to find the revenues. That is one reason we have tried to hold down the costs of the program.

Mr. SYMMS. Mr. President, I yield myself 1 minute.

I would just like to point out, and I appreciate the effort of my fellow Senators who are very concerned about this problem and I am aware it is a problem, I think it should be noted, however, for our record that in the terms of how we wish to pay for this I do not know how we are going to pay for it. But sometimes I wonder in amazement when I look at this whole budget process, and I watched it over the years as we started out in 1974 passing a Budget Act and then in each succeeding year how we have managed to continue to try to figure out how we are going to try to pay for these things as the budget just continues to grow, we might put down an extra shift down on Independence Avenue and, as our old friend from Iowa in the other body used to talk about, they could run the printing press crew another shift to pay for this one, and it is not that I do not think this has merit, I think it does.

I am glad the chairman is not committing us to whether or not we are going to put a cap on those benefits. Because I think some of us, I note the distinguished Senator from Oregon and I last year, when we discussed that issue in the committee, we both made the point that for years and years and years we had gone out and tried to tell people in the private sector that they should take care of this problem.

The PRESIDING OFFICER. The Senator's 1 minute has expired.

Mr. SYMMS. Mr. President, I yield myself 2 more minutes from the bill.

We made a point at that time that if we do address this question of capping the health benefits and start taxing those benefits that for years many of us have gone out to people and made the battle cry: If you cap those benefits or if you do not have benefits you are setting the stage to have socialized medicine in the United States.

So I appreciate the fact that the chairman is not making a commitment here and that the Finance Committee is going to have to wrestle with that. I think I understand the chairman correctly that we have not made any decision of where the money will come from.

Mr. DOLE. That is correct. There have been a lot of ideas. The administration has proposed that we talk about it. Last year, in considering the so-called TEFRA, we had a tax cap in the package temporarily. I think a number of Members had second thoughts about it so it was taken out. It is very controversial. There are arguments on both sides.

But what I have asked, just yesterday, in fact, in a meeting with legislative people on the labor side and also having discussed it with some of the insurance people, is, "Well, if this is not a good idea, give us a better one." So they have agreed to go back and take a look.

I do not think anyone quarrels with the need to pay for a program, to start some new entitlement program, some open-ended program, without any termination, without any way to pay for it. So we decided to sidestep that issue.

In addition, this is a budget resolution. The Budget Committee does not dictate to our committee just how we would finance the program. We are not even assuming how we will finance it. We just say we will do it. We will report out a bill and we will pay for it. We may have to scale it back if we cannot find that money.

Mr. SYMMS. By the passage of this amendment, does this commit us to this course or just say we are going to look at it?

Mr. DOLE. It commits us to the course insofar as we hope to pursue it. In the committee, we have had 2 days of hearings. The hearing we had most recently was last week when David Stockman, the Director of OMB, came before us and indicated the President's concern and willingness to support a program if it were funded, not just some new entitlement program. The last thing we want to start is a new entitlement program. And I am afraid that is what is developing on the House side.

Mr. SYMMS. What are the actual number of people who are unemployed who do not have medical insurance, percentagewise? Five or ten percent?

Mr. DOLE. I think there are about 6.9 million who are unemployed because they lost their jobs. There are about 1.2 million who are seeking their first job, an additional 2.5 million are reentering the labor force, and almost 1 million voluntarily left their jobs. So that means a pool of about 7 million. We are not certain how many have lost coverage.

Mr. SYMMS. Seven million?

Mr. DOLE. Seven million. We are going to try to address the needs of not 7 million, although there are 7 million that could be made eligible. Obviously, we cannot cover 7 million.

Mr. SYMMS. Would those same people be eligible for medicaid? Not in every case, I guess.

Mr. DOLE. That is the problem. You cannot tell some worker in Ohio, Oregon, Idaho, or Kansas, who has lost his or her job through no fault of their own, who has children and emergency needs, that to qualify for medicaid they would have to sell assets if they have over $1,000 in assets. We do not believe that would be fair to a hard-working person. Normally, they are a young couple. We are talking about young people who have just started in the work force and suddenly find themselves out of work.

So we have tried to avoid punishing those who lost their jobs involuntarily by saying, "Well, you can qualify, but you have to be penniless to do it."

Mr. SYMMS. Mr. President, I thank the distinguished chairman. I am sorry that we have to do anything or that any amendments come up that increase this budget at all in view of the total budget, when we see how high it is. And I know the chairman is concerned about that also.

I might say, I am happy that we are not planning to expand the debt anymore. Although I have reservations about trying to raise taxes myself, I do not know if I have an answer for this. I did notice a study was released the other day and I think it is probably worthy of mentioning here. There was a report that came out just in the past week that crossed my desk—and I am sorry I do not have it here—in terms of some critics of some of the administration's programs that had lost their benefit. And when they went in and investigated those people, 85 percent of them—this was not unemployment benefits; I think it was AFDC benefits or some other program—85 percent of them had actually found employment since they lost their Federal benefits and have since been employable and working.

So, I think we always need to keep conscious of the fact that no matter how generous we all may feel with the taxpayers' money in the Federal Treasury about the individual plights that Americans may get into, that we should also be careful not to remove the incentive for people to try to actually get back into the employable work force to sustain their own opportunities.

I do not think that is what this amendment is necessarily doing, but I think it skirts in that direction, which makes me have some reservation of whether we should or should not. Because I am always fearful something will come out later, after the fact, that good intentions by people in the Congress to try to help those cases that the Senator from Indiana, the Senator from Kansas, and others have pointed out, some individual specific cases

which certainly on their face you cannot argue against the plights that people get in—Senator DURENBERGER, I believe, mentioned someone not going to the hospital and ending up with a burst appendix—no one can argue against that specific case.

But, in a general context, I think we must remember that as long as benefits are available, people will always be slower to get back into the work force. We do need to try to do things in job training opportunities, lower interest rates, to try to make jobs available, because ultimately that will be the solution. And this is only a temporary solution at best. The ultimate solution will be for the unemployed to be able to be returned to the work force in the country where they can sustain their own opportunities and can sustain their own insurance programs and their own health care as needed.

I believe the distinguished Presiding Officer may wish to make some comments and I yield back to the chairman.

Mr. DOLE. Mr. President, I will just take a couple of minutes. I know the Senator from Pennsylvania also wishes to speak.

I certainly can understand the reluctance of some to do anything in this area. But I think we ought to outline that we are not talking about some generous, excessive health care coverage. We are talking primarily about prenatal, postpartum care, inpatient hospital care, physicians' services and emergency type care that must, at a minimum, be provided.

Again, I commend the entire health care community—physicians, nurses, hospitals, and all the others who deal with patients—for their willingness to cooperate and provide a lot of service voluntarily and without cost to many of these emergency cases.

On the other hand, we should not strip whoever it might be of everything they have during this period of involuntary unemployment. We are not talking about covering anybody who is voluntarily unemployed. We are not talking about those who are coming into the work force.

We are talking about those who are involuntarily unemployed. We also make certain that if you are eligible for medicaid, you are not eligible for this program. It is a 2-year program.

Again, I would say that coming down the track on some fronts, it is very expensive, $2.7 billion per year program, which would virtually create another entitlement program. The last thing we want to start is another entitlement program.

I do believe we have a responsibility and it should be met. The President recognizes this limited responsibility and I hope we might have strong support for the amendment.

Mr. SYMMS. If the chairman will yield on that one point, on the entitlement program, I hope that the record shows that my hesitation on this amendment is that I would hate to have the Senate take this action here today and then forevermore in the United States, everybody who is unemployed will think it is their entitlement; that somehow, if they are unemployed for any reason, and they are out deerhunting while unemployed and they shoot themselves in the foot, it is our responsibility to pay for their medical insurance.

The record should show that is not what the chairman, the Senator from Kansas, is trying to accomplish. I do not know that there will be a record vote on this or not, but there may be some people who might choose to vote against it for that very reason.

I think the record ought to show that.

The reason this Government is bankrupting itself is because we have so many programs that are demanded upon and called untouchables or entitlements, whatever. I think that is the biggest single problem in the Federal budget process today.

I think the record ought to show that it is not a new entitlement program. If someone chose to register their opposition to it, I think that would be a good reason to do so, because they do resist starting new programs when we are running $200 billion in deficits already.

Mr. DOLE. I would suggest that in the hearing record, a statement by the distinguished OMB Director Stockman and other witnesses that came before the committee made it clear that in our case, we are not going to set up some new entitlement program similar to the one that they are now designing in the House, which I think some in this body would like to have.

There is no certainty that you are ever going to have an end to the program, but I must say that does not mean that you should not address need. Maybe we could rearrange our priorities. We can find a lot of money wasted in this budget that might be spent on helping some couple who might be out of work, who have children, and who need medical care. When somebody goes to the hospital, somebody has to pay for the drugs, the hospital room, and so on. Somebody has to pick it up.

I understand the problem. There was the vote we had last night on a modest reduction of less than $4 billion in the medicare program. The amendment would have chopped the savings in half and the vote was 50 to 45. The Senator from Kansas is under no illusion that it is easy to reduce the growth of programs such as medicare. But that does not eliminate our responsibility to address other areas where I think there is a need. We have done it, I believe, and in a responsible way.

I yield to the Senator from Pennsylvania.

Mr. SPECTER. I thank the Senator for yielding to me, and I thank the distinguished Senator from Kansas (Mr. DOLE) for the leadership he has shown on this matter. Senator DOLE, Senator HEINZ, Senator DURENBERGER, and I have been working on this issue for some time now.

The President, in a trip to Pittsburgh, Pa., on April 6, said that this was an item which ought to be addressed. The matter has been the subject of extensive discussions among Senator DOLE, Senator DURENBERGER, Senator HEINZ, and me, with Mr. Stockman and the Secretary of Health and Human Services, Mrs. Heckler. I think we are heading in the direction, where this problem can be addressed and addressed sensibly, as outlined by Senator DOLE.

According to the Congressional Budget Office, almost 90 percent of the unemployed in the United States, or close to 11 million persons, have already lost employer-based health insurance coverage, most within 30 days of job termination. In Pennsylvania, almost 400,000 people who have dependents receive unemployment compensation but have lost their health insurance.

Senator HEINZ and I have collaborated for the past several months on a health program, and its importance was emphasized to us when we were in Midland, Pa., about a month ago. A survey published in a Pittsburgh Press article, March 10, 1983, reveals that three of four of Mon Valley's unemployed are without any medical coverage. At least one of every five had immediate need of medical care.

In Washington County, Pa., Canonsburg General Hospital is providing free medical service to unemployed workers and their families who no longer have insurance. The hospital workers have volunteered their services to help unemployed workers who live in the area and who have been delaying necessary medical treatment and surgery for lack of income and insurance coverage.

But how long can hospitals, clinics, health centers, and health service employees continue to absorb the increased costs? In Mobile, Ala., for the month of March all of the hospitals but one had to close their emergency rooms on weekends to curb the flood of requests for free care in order to avoid bankruptcy. Fortunately, for now, the county and city have been able to provide some assistance.

As of April 15, 1983, McKeesport Hospital, in Pennsylvania, a Hill-Burton recipient, had to lay off 51 employees across the board. Twelve of these are nurses and three are licensed practicing nurses. Some of the physicians indirectly have been cut back

due to the losses the hospital is experiencing. This is a decrease of almost 3 percent in the hospital staff. Can we afford to run the risk of closed hospital doors nationwide?

In talking with various health providers, we are learning that many of the unemployed who are ill do not know where to go for treatment. We are discovering that one of the major fears of the unemployed is fear itself. The uncertainty of "what will I do if someone in my family becomes ill" plagues them constantly. Early action on health care legislation will help the unemployed find peace of mind with regard to health coverage. The unemployed workers need assurance as well as insurance that their needs will be met.

The Bureau of Labor Statistics has issued recent reports on the total annual consumption costs for both three and four-person families. It has calculated the national average weekly benefit under the States' unemployment insurance programs. For example, a three-person family accustomed to an intermediate level budget of $14,960 would receive $8,224 in unemployment compensation, which is approximately 55 percent of previously received income. Moreover, this compensation is only 5 percent more than the poverty threshold for a comparable family unit. However, if this family had no income, it would be eligible for $10,164, nearly 25 percent more than the amount available through unemployment compensation.

I cite these statistics to make a point: Many people who have worked hard all of their lives are now finding themselves in the unwanted situation of being a poverty-level statistic and living below the poverty level.

Our original bill was intended to be a short-term but immediate solution to the problem of lack of health care coverage for the unemployed. It was to give the States the revenues and the flexibility to establish a program which would service its constituency, including the options "to provide for cost-effective bidding among carriers or providers, or capitation reimbursement systems, while taking into account the existence of related programs or financing structures in given areas."

The States know best which areas are in most need and what facilities are available. While the ultimate solution would be to provide the unemployed workers with a health insurance policy similar to what they have been accustomed, the costs most likely will be prohibitive. It is my understanding that Blue Cross of Western Pennsylvania has a proposal before the Pennsylvania Department of Insurance which would establish a low-cost health insurance program for unemployed people who have lost their benefits. The plan provides for up to 15 days of inpatient hospital care at a cost of $28.15 per month for individuals and $62.20 for families, or a 31-day plan at a cost of $32.90 for individuals and $72.90 for families. In Pennsylvania, the average monthly unemployment benefits is $568. Carrying a policy for $62.20 would be 11 percent of that family's monthly income.

Even if the Government were to decide that health insurance coverage was the best way to go, and would subsidize the policies, say by $52.20 for a 15-day policy for families and the unemployed had to pay $10 of the premium, in Pennsylvania alone, with 400,000 needing coverage, it would cost the Federal Government $20,880,000 each month and $250,560,000 per year. With a Federal Government subsidy of only $10 per month per premium for 400,000 people, it would cost the Government $4 million per month, and $48 million per year for Pennsylvania. Still, those figures only include those workers who are receiving unemployment compensation.

And this is funding individuals and families who may never need medical attention within that year. My goal is to help those individuals who do have health problems when they occur and give all of those who have lost their benefits the peace of mind and assurance that they will be covered when the need arises.

And this need not be as expensive a situation as one might first assume. In a report, committee print 98-A, prepared for the use of the House Subcommittee on Health and Environment, a 1974-75 study regarding high unemployment problems in those years is cited with "estimated that no more than 10 to 14 percent of workers losing group health insurance substituted individual nongroup health insurance. The probability of a two-earner household losing health insurance due to unemployment of the head of the household was reduced by 27 percent. Indeed, our plan is meant to be a payer of last resort, and an unemployed worker whose spouse has coverage would not be eligible.

In addition, in Pennsylvania for 1982 the average length on unemployment compensation was for 18 weeks or 4½ months. While the period of unemployment does not necessarily coincide with the period of loss of benefits, it generally works out to the same amount of time as lack of insurance. This statistic may be important from the standpoint that the majority of unemployed are not going without coverage for an excessive amount of time to warrant the administrative details of signing up for an insurance policy. However, in the event that a catastrophe should occur or a chronic illness need attention in those few months, the unemployed need assurance that they will be treated. The additional burden of mental anguish over reimbursement should be alleviated from the unemployed worker.

In no way do I mean to downplay the graveness of the situation; that should be apparent by my persistence in obtaining a meeting with the administration, and various hearings, not to mention talking to the President personally on April 6. However, the urgency of the need leads me to strive for a workable and financially acceptable solution which can be implemented as soon as it is passed by Congress and signed by the President. This short-term solution should not be bogged down with redtape and administrative nightmares which will hold up the process any longer.

I would like to take this opportunity to encourage the States to look at the existing health services, such as community and migrant health care centers, health maintenance organizations, public hospitals, and even the example in Detroit, Mich.: "Project Health Care." I understand that this project is operating successfully in a city which has had an overwhelming share of the unemployed problem. Briefly, it is a program which provides a health service referral network using the existing social service agencies. It has approximately 360 physicians who volunteer their services and see the patients in their office as they would any other patient. The system is able to handle 1,000 patients per month, and yet to date it has not had to serve that many in any one month.

Reimbursement is worked out between patient and the doctor. It is my understanding that there have been no physician complaints about unnecessary visits or abuse of the system, nor any complaints from the patients that they received second-class treatment. If hospital tests or treatment is required, the physicians use their same hospital privileges and the hospital usually has a social service counselor who assists the patient in determining suitable financial assistance. What is even more encouraging about the program is that the original funding for the program was a $63,000 grant from the Hudson-Webber Foundation. That grant enabled the Greater Detroit Area Health Council to hire a coordinator to recruit the physicians and set up the system.

It is unfortunate that more accurate data is not available. However, I would like to share some recent statistics provided to me by the McKeesport, Pa., hospital, which has recently established a special program for the unemployed.

The first week of the "Health Concern" program, 100 people inquired about services; 35 were in need of immediate care. Only 25 of those 35 were eligible for the program. Eligibility is based on total monthly household expenses in excess of total monthly

income. Those 10 who were ineligible were still on unemployment compensation. One of the patients who arrived was a single unemployed mother with three children who had a pacemaker which had not been checked for 18 months because she was afraid to go in due to lack of coverage.

Some of the unemployed patients now qualify for Hill-Burton—McKeesport is a Hill-Burton hospital—which proves my point about the long-termed unemployed now becoming poverty statistics.

Here is an additional figure which may be of interest: In this same hospital's outpatient clinic, a survey was done for February and March of 1983. Within that clinic, 80 percent of the patients seen were unemployed. In McKeesport, as of February 1983, unemployment rate equals 21 percent.

The McKeesport Hospital reports that it lost $1 million in operating costs in 1982. Obviously, if additional funds were available, the hospital would not have had to release those 51 employees which I mentioned earlier. Through the block grant system, the States would be able to assist those health services providers which are located in high unemployment areas and which have seen a dramatic increase in patients.

The Canonsburg General Hospital in Washington County, Pa., is a private hospital where all of the employees have volunteered their services to help unemployed workers who live in the area and who are delaying necessary treatment and surgery for lack of income and coverage. The data provided to me by this hospital is that in the past 2 months, 120 unemployed workers or a member of their family have been given free health care.

In Washington County, the unemployment rate equals 18.9 percent; 20 out of the 38 active physicians in this hospital are participating in the program. One of the major concerns of the individuals taking advantage of this hospital's generosity is not for the unemployed worker or spouse, but for the health of the children.

Once the States set up their mechanisms for providing health care, it is imperative that an outreach program be implemented to notify those eligible. A letter to all of those who were or are on the rolls of unemployment compensation during the designated eligibility period informing them of what the State has designed and where they can go for help is one simple method. Perhaps this letter could include a brochure on preventative health tips. This would provide the assurance, which I must emphasize once more, that Government officials are concerned and are prepared to assist them in the most expeditious, yet economical, and equitable way possible.

It will take a tremendous commitment from the U.S. Congress and Government to help those people who have lost their health benefits through no fault of their own. Millions of men, women, children, and even unborn children are being exposed to the hazards of poor health care due to unemployment.

The need for health care coverage for the unemployed can no longer be overlooked. We cannot run the risk of having the health of breadwinners and future breadwinners deteriorate to the extent that they may be unable to return to employment once the economy recovers.

The PRESIDING OFFICER (Mr. COCHRAN). The Senator from New Hampshire.

Mr. HUMPHREY. Mr. President, I would like to direct a few questions to the chairman of the Finance Committee.

The first is, what effect does this amendment have on the budget resolution? Does it increase it?

Mr. DOLE. It has no effect on the deficit because we provide in the amendment that the cost of the program will be offset by revenues.

Mr. HUMPHREY. I take it, then——

Mr. DOLE. We will close a loophole somewhere.

Mr. HUMPHREY. But for the time being it does increase the spending limit of the present resolution?

Mr. DOLE. I guess it would increase the spending but it would be offset by increasing the revenues. So, yes, the Senator is correct.

Mr. HUMPHREY. My concern is that we know we will spend right up to the limit of the budget resolution. My concern is if an alternative means is not found to offset the cost of this health insurance provision, what we are talking about here today is an increase in spending.

Mr. DOLE. I can assure the Senator that if we cannot pay for it, it will not come out of our committee, if the Senator from Kansas can avoid it. There are amendments around the Chamber that will add about $2.7 billion a year with no offsetting revenues at all.

Mr. HUMPHREY. The chairman of the Finance Committee, then, is making a public commitment to either find an offset for the cost of this program or will oppose it?

Mr. DOLE. That is correct.

Mr. HUMPHREY. I share the concern of the Senator from Idaho about creating what is essentially a new entitlement program. Once we have set this precedent, will it not be expected of us again in future periods of unemployment? In effect, we are creating an entitlement program because by setting this precedent, in future periods of unemployment it will be expected of us again, will it not?

Mr. DOLE. First of all, it is a 2-year program. It ends 2 years from now but it may be 10 years before we stop it. Some of these temporary programs never end. But we believe that, based on forecasts and other things, that the program ought to self-destruct, as people start going back to work as the economy recovers. We are also going to try to design it very carefully to make certain that we do not end up with some entitlement program.

I think there is a majority in this body, on both sides of the aisle, who say, "First of all, if we cannot pay for it, we should not have it. Second, if it is going to be an entitlement program, we should not have it."

I ask unanimous consent to have Mr. Stockman's testimony printed in the RECORD at this point. He testified before our committee about strong opposition to an entitlement program. I believe if we passed an entitlement program, the President would veto it. I would encourage him to do so.

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

STATEMENT OF HON. DAVID A STOCKMAN, DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET, BEFORE THE COMMITTEE ON FINANCE, U.S. SENATE

Mr. Chairman, thank you for the opportunity to appear before your Committee today to discuss the problem of health insurance for the unemployed. As you well know, the Administration has made a systematic study of this issue over the past few weeks. I come before you today to share with you the conclusions the Administration has reached as a result of that study, and to outline the Administration's views of appropriate—and inappropriate—remedies to address it.

SUMMARY OF RECOMMENDATIONS

Our primary conclusion, Mr. Chairman, is that the problem of lack of health insurance among the unemployed is one of selective gaps and discontinuities—and not a pervasive or general problem. As I will discuss in more detail shortly, the number of long-term unemployed who are wholly without access to health care services is really a limited subset of the unemployed. The Administration believes that the needs of this group can be met by a package of policy reforms such as the following:

Requirements for employer insurance packages that ensure the unemployed access to continued coverage when they become unemployed;

Requirements for employer insurance packages to ensure that the unemployed can be enrolled under a working spouse's health plan should they become unemployed and lose their own employer coverage;

Amendments to the Social Services Block Grant Act to provide that funds available to the States can be used to fill in whatever gaps in coverage remain; and

"Pay as you go" financing for any additional funding under title XX through enactment of the Administration's proposed limits on tax exclusion of employer insurance contributions at a level below that originally proposed.

DEFINING THE PROBLEM CAREFULLY

Our support for these measures—and our belief that these steps will be more than adequate to address health coverage prob-

lems among the unemployed—is based on our study of the access of unemployed Americans to health care services. The general perception, Mr. Chairman, is that all unemployed American families somehow confront common problems due to the misfortune of unemployment. We have concluded, however, for the reasons discussed below, that lack of access to adequate health care is not a generic problem associated with unemployment, per se, and that in fact the great majority of the unemployed are not being denied care.

Continuation and conversion privileges

The truth is that many employers presently provide extended coverage to workers who are on layoff. In many cases, such coverage extensions are benefit plan features obtained as a result of collective bargaining. In other instances, employers offer coverages of this sort unilaterally. In any event, most insurance plans, enrolling workers as they do on a month-to-month basis, cover laid-off workers at least until the end of the month in which they are terminated. Such automatic extensions can provide up to four weeks of additional coverage even if there is no employer-financed extension. Many families use this remaining eligibility to actually obtain medical services family members may need.

Additionally, a number of States provide, as a matter of law, that workers may continue to enroll in a health insurance plan. In 12 States, employers are required to offer continued coverage to former employees at group insurance rates. In 11 States, employees must be offered the option of converting to individual health insurance plans. While these practices require laid-off workers to finance coverage out of their own resources, families with significant medical expenses at the time of termination are provided the means to limit their exposure without regard to pre-existing medical conditions. In most such instances, these features provide considerable protection.

RANGE OF UNEMPLOYMENT DURATION

Even in instances where employers do not continue health insurance for laid-off workers, several pieces of available data suggest that the problem is not as large as is commonly perceived.

The best available evidence is that even during economic recessions the labor force is a dynamic one and duration of spells of unemployment for most unemployed individuals remains relatively brief.

TABLE I.—PERCENTAGE DISTRIBUTION OF UNEMPLOYMENT SPELLS

[In percent]

	Short (1 to 4 weeks)	Medium (5 to 26 weeks)	Long (27 plus weeks)	Average
1982	41	48	11	14.3
1978	49	46	5	8.3

In 1982, the worst year for unemployment since World War II, the average spell of unemployment lasted just over three months. Although the average unemployment spell was much longer than it was during a nonrecession year such as 1978, it was still the case in 1982 that two out of every five spells of unemployment lasted for less than one month.

Although many individuals experienced more than one spell of unemployment during 1982, the data still reveal that for most Americans unemployment is a temporary phenomenon. Long-term unemployment, which results in a severe strain on family resources, tends to be concentrated on a small but significant portion of Americans. But even during the most difficult economic times, such as last year, only 11 percent of all spells of unemployment lasted longer than six months.

FAMILY RESOURCES

Despite the vast array of social welfare programs, the family remains the primary social institution that cushions individuals from the financial hardship of unemployment. We often tend to view the unemployed, especially those with long durations of unemployment, as a homogeneous group in need of financial assistance. In fact, the family provides the main source of financial assistance for the unemployed. Although data for 1982 are not available yet, data for 1981 provide some indication of the financial resources of the unemployed in a recession year.

TABLE II.—FAMILY INCOME OF THE UNEMPLOYED IN 1981

	Total	Duration of unemployment	
		Short term (1 to 4 weeks)	Long term (26 plus weeks)
Average family income	$20,898	$23,113	$17,035
Percent with family income greater than $20,000	44	51	33
Percent with family income below poverty	19	14	31

As the data in the accompanying table indicate, the financial curcumstances of the unemployed very enourmously. In 1981, for example, 44 percent of all unemployed individuals lived in families with incomes in excess of $20,000.

On the other hand, 31 percent of all individuals experiencing six months or more of unemployment lived in poverty, while over one-third of the long-term unemployed lived in families with income in excess of $20,000.

Of course, even families with substantial resources can experience cash flow difficulties that compel them to use their savings to tide them over spells where one family is unemployed. But we should not conclude that such families will be unable to afford either health insurance coverage or actual medical expenses simply by reason or length of unemployment.

COVERAGE THROUGH WORKING SPOUSES

The primary reason that family incomes remain relatively high among many of the unemployed is the presence of secondary earners in the household. In 1981, over 80 percent of the average family income among the unemployed represented earnings of family members. Although the 1981 data may not be representative of current conditions, the most recent statistics for the first quarter of 1983 indicate that the proportion of unemployed family members who have other family members working remains high. Among all unemployed individuals in families, 65 percent have other family members at work.

Besides providing an additional source of income, working family members are also a potential source of health insurance coverage for the unemployed. While data on family coverage among secondary workers is unavailable, many have held insurance coverage through their employer.

Some idea of the size of the non-covered unemployed population can be obtained by a close inspection of family characteristics among unemployed individuals:

TABLE III.—CHARACTERISTICS OF THE UNEMPLOYED, 1983

Family type	Millions of individuals
(1) Total unemployed in families	10.5
Intact families:	
(2) Married persons with working spouse	3.3
(3) Dependents with working family member	2.4
(4) Subtotal	5.7
Single-parent potential medicaid families:	
(5) Female headed	2.1
(6) Male headed	.6
(7) Subtotal	2.7
(8) Unemployed sole wage earners	2.1

As is indicated in the accompanying table, 10.5 million individuals living in families experienced some unemployment during the first quarter of 1983. Among the 5.2 million unemployed married persons, 3.3 million had working spouses. Unemployed husbands with working wives represented just over half of this group. Also, unemployed relatives in intact families with a working husband or wife numbered 2.4 million over the period. Therefore, of the 10.5 million unemployed individuals, 5.7 million lived in intact households with at least one parent employed, and hence were potentially eligible for coverage.

In addition, 2.7 million of the unemployed lived in single-parent potential Medicaid-eligible families. Subtracting both of these groups from the total yields a population of 2.1 million Americans who are unlikely to have a source of employer- or Medicaid-provided health insurance. This number represents a reasonable—but lower-bound—estimate of the totally uncovered population of unemployed family members.

One reason why this population represents the lower bound is obviously that, in certain instances, spouses may have elected to either accept self-only coverage, or may have elected family coverage through the spouse who became unemployed. As I will indicate later, however, this problem can be addressed without great difficulty.

OTHER PUBLIC PROGRAMS

We should also note that the total estimate of the unemployed includes many families that are eligible for public assistance, and who therefore qualify for and receive Medicaid coverage. In 22 states, two-parent families can be covered under Medicaid. In 30 states, families can be covered, even if they are not eligible for cash assistance, through "medically needy" programs, wherein high medical expenses are deducted from income to expand eligibility to those who are poor by reason of high medical expenses. While the Medicaid program does require an asset test, the value of the family's home and automobile is not counted for this purpose. In all, those longterm unemployed families most in need of assistance can receive it, in most instances, through existing public sector mechanisms.

Medicaid, of course, is not the sole effort directed at the health care needs of low-income families by the public sector. In the Administration's Fiscal Year 1984 budget, Mr. Chairman, over $85 billion is provided for health care services—ranging from community health centers to immunization programs—to provide health care to those who need it.

Private sector efforts

Our present health care system is characterized by voluntary private efforts to pro-

vide health care services to those who need it. There is strong evidence that those in the private sector have in fact expanded their efforts during the last few years to meet the needs of those who have become unemployed during the recession.

Private physicians have a long and commendable history of meeting the needs of those with limited resources. As the American Medical Association testified last Friday before the House Health Subcommittee, 70% of all American physicians provide reduced rates or free care services to those unable to afford care. A surprising 10% of all physicians are actually donating their time to special programs for unemployed workers and their families.

Hospitals have been and remain active. As the National Association of Counties has testified before your Committee, 98% of the Nation's largest hospitals provided over $750 million in uncompensated care in 1980. The evidence available to us suggests that this commitment to providing care regardless of compensation has if anything expanded markedly in the past few years. This sort of commitment, Mr. Chairman, goes far beyond explicit legal commitments, such as the charity care obligations under the Hill-Burton program, to provide free care. Rather, the Nation's community hospitals, which after all are established as private non-profit charitable institutions, have maintained a long tradition of providing care without regard to the ability to pay.

Insurers and other third-party payors have also been active in meeting the needs of the unemployed. In six States, special insurance pools have been established to provide inexpensive coverage to the unemployed. And just last week, Blue Cross/Blue Shield of Western Pennsylvania announced a special program at heavily-discounted rates to unemployed workers and their families.

Coverage for physician services, for example, will cost only $8.50 per month for full family coverage. Coverage for hospital services will be provided at a 75 percent discount, both through low rates and by waiver of normal deductibles.

In all, the Administration believes that we must recognize the existence of these commendable efforts as we work to fashion solutions in this area.

AVOIDING LEGISLATIVE OVERKILL

As the foregoing has suggested, the problem of accessible and affordable health care services for unemployed workers and their families really consists of a number of special cases of individuals. Failure to recognize this fact in the development of legislation could prove a costly mistake. As you are aware, Mr. Chairman, the natural tendency of the bill-writing process is to expand consideration to an ever-wider scope of circumstances as special conditions and situational anomalies are brought to light. The danger is that the remedies fashioned to address these anomalies often result in adding in whole new classes of beneficiaries for a program despite the fact that only certain individuals within the stated class may have true needs that cannot be addressed some other way. As I will illustrate, Mr. Chairman, that danger is particularly present in the area of provided health insurance coverage to those who are presently uncovered.

THE DILEMMA OF EQUALLY WORTHY CLAIMS

The cause being considered by your Committee is the plight of those unemployed workers who previously had employer-financed health insurance, but lost it as a result of involuntary unemployment. Yet the problem of lack of health insurance coverage is not restricted to this group. There will be a strong temptation for legislation expansion as the circumstances of the target population are compared to the plight of:

Unemployed families without prior coverage;

Employed workers with no employer coverage;

Low-income families with no recent work history who are ineligible for Medicaid; and

Self-employed workers who receive no special tax breaks for health insurance.

As we learned long ago in the national health insurance debate, our society simply cannot afford to go all the way down this road. Yet if we move forward with an explicit Federal entitlement program in this area, we will be hard-pressed to explain why coverage should be bestowed on a narrow subset of the some 30 million Americans who are without health insurance.

The minimum benefits problem

A complementary problem with attempting to address the needs of the unemployed through an explicit benefit program is the problem of establishing some minimum acceptable coverage package. On the one hand, the need to restrict costs would argue for some narrowly defined set of benefits—perhaps restricted to so-called "catastrophic coverage", in which full coverage is provided only after the beneficiary meets some high deductible. Yet the very nature of such coverage would call into question whether any real benefit is in fact being conferred. To the extent that the unemployed have financial problems, the second $500 dollars of unaffordable expense is just as insurmountable as the third. Attempting to draw the line in a way that is generally recognized as fair is probably impossible.

It is easy, however, to understand the fiscal stakes involved. Suppose the target population were restricted to 2 million families—the rough number of families who have lost prior coverage that we estimate will still be on unemployment insurance on October 1. Extremely limited catastrophic coverage might cost perhaps $20 per month per family, or only $480 million annually. Yet present employer coverage plans with full benefits—even at group rates—can cost over $180 per month per family. Moving from the low end to the high end of coverage—a normal tendency in these matters—could raise costs nearly tenfold to nearly $4 billion annually.

The prohibitive cost of a new entitlement

If we examine the potential for expansion due to these two factors, we are forced to conclude that any explicit Federal entitlement effort in this area would quickly escalate beyond affordable levels. Providing all eleven million unemployed workers with full family coverage at $180/month would cost an astonishing $19 billion annually. Even recognizing that many of the unemployed are single individuals and assuming a blended average cost of full coverage of $135 per month, the upside threat is in the $14 billion dollar range. The following table summarizes the potential cost range:

TABLE IV.—COST OF COVERING VARIOUS GROUPS WITH HIGH AND LOW OPTION BENEFITS

[Dollars in billions]

Type of benefit	UI beneficiaries		All unemployed
	With prior coverage	All	
(1) Number in eligible families (millions)	4.0	5.5	17.4
(2) Catastrophic with $1,500 deductible ($22.50 per month)	$0.5	$0.6	$2.1
(3) Catastrophic with $500 deductible ($49.50 per month)	$1.1	$1.3	$4.6
(4) High option plan ($180 per month)	$4.3	$5.8	$18.6

THE ACTUAL FISCAL THREAT IS UNKNOWABLE

I would caution, moreover, that the Federal government's track record in estimating the cost of new health care entitlements offers little solace as we go forward in this area.

Medicare

Shortly after the enactment of Medicare, the Social Security Trustees Report (1966) estimated that outlays from the HI and SMI trust funds would rise, in real terms, by 5.2% and 2.3% annually, respectively. In fact, the programs grew by 9.3% and 10.2% annually in real terms. As a result, an FY 1988 projection for SMI outlays would have been $5.6 billion under the original estimates; in fact, we now expect that SMI will hit $36.5 billion in FY 1988, a 548% overrun from the perspective of the original forecast. Similarly, the original estimate would assume, by 1990, HI outlays totalling $26.6 billion. The current forecast, however, is for HI outlays to hit $116.1 billion in 1990—a 366% overrun.

ESRD

Even short-run estimating in this area has been frought with guess-work. The 1973 Social Security Trustees report estimated ESRD costs for Fiscal Year 1974—a bare one year later—at $65 million dollars. Actual FY 1974 costs were in fact $90 million—a 40% overrun one year out. At that time, the FY 1975 estimate was $84 million. In reality, FY 1975 spending hit $167 million—a 99% overrun two years out. Not surprisingly, spending in FY 1983 is now estimated at $1.4 billion—a 2050% increase over the initial FY 1973 cost estimate.

Unknowable behavioral effects

The reasons for these overruns are the prodigious incentive effects built into the health care field.

On the beneficiary side, health care is considered such a superior good that consumption is limited only by income. Once a new entitlement is created obviating income limits, utilization of services climbs toward the sky.

On the provider side, the capacity for product upgrading and service improvement is constrained only by aggregate demand for health care services. Once an entitlement is created to fund whatever service consumption level is demanded, the "intensity" of service provided—more doctors, nurses, supplies and machines—is limited only by technological advance and labor supply constraints.

First things first

I would hope, Mr. Chairman, that we have learned our lesson in this field—that medical care entitlements strain the limits of the largest economy in the world. In fact, recent developments make clear to me that we are hard-pressed to afford the medical entitlements we now have on the books—let alone

being able to afford new ones. As recent studies from all directions have amply demonstrated, the HI trust fund is headed for bankruptcy at some point between 1987 and 1990. In order to stave off bankruptcy of this existing entitlement system, we will somehow have to contend with a projected $600 billion mismatch between income and outgo to the trust fund between now and the end of the century. This Committee knows well the magnitude of the task before us in either restraining benefits or raising revenues to fund this astronomical shortfall. Adding in new problems will only compound the difficulty of the task.

THE SOBERING FISCAL SITUATION

Even in the best of fiscal circumstances—such as the halycon days of the late 1960's when the Federal government committed the projected "fiscal dividend" to many worthwhile purposes—major new entitlement commitments should only be carefully undertaken. In the present environment, with projected deficits stuck permanently in the 5-6% of GNP range in the absence of concerted policy action, the creation of major new entitlement programs would be the height of fiscal irresponsibility. The following table summarizes our current plight in the entitlements area:

TABLE V.—PRESENT ENTITLEMENTS COMMITMENTS

[CBO estimates in billions of dollars]

Category	1984	1985	1986	1987	1988	Total
Total entitlements	394	418	444	477	511	2,244
SBC proposed savings	−6	−6	−11	−14	−17	−54
CBO baseline deficit	197	214	231	250	267	1,159

As the table shows, the Senate Budget Committee has, to date, been able to find only $54 billion in entitlement savings out of a $2.2 trillion spending base—savings of only 2.4%. Of this amount, $19 billion has already been achieved as a result of the Social Security reform legislation created by your Committee. Another $10.7 billion consists of the savings achieved through adopting the Medicare prospective payment provisions as part of the Social Security bill. Apart from these savings, SBC can find additional savings totalling only 1.1%. As a result, under present Senate policy, total entitlement spending will rise by 28% over the next five years. In this environment, further expansions of the entitlements base would be unconscionable.

THE ADMINISTRATION'S VIEWS

For all of these reasons, the Administration would find any new Federal entitlement program in this area totally unacceptable. To meet the needs of those for whom unemployment is a barrier to care, the Administration would instead direct the attention of your Committee to a number of areas in which we believe constructive action can be taken.

Based on our analysis of the scope of the problem, the Administration concludes that there are three classes of unemployed individuals who are presently unable to obtain health insurance or needed health care services:

Families where one spouse has lost coverage in which the family is unable to reenroll in the health plan of the other working spouse due to restrictive employer open enrollment practices;

Families which would be able to afford to continue their present coverage or perhaps purchase a less costly plan, but are discouraged from doing so due to the difficulty of finding private market alternatives, or due to considerations of age or illness that make them poor risks; and

A residual group of long-term unemployed who do not fall in either of the above classes who are ineligible for Medicaid, and unable to avail themselves of other public or private aid.

The Administration believes that the needs of these families can be met by a five-part plan based on the following three principles:

Support and encourage private sector initiatives

First, the Administration believes that much of the present hardship can be alleviated by constructive actions of the States and the private sector to meet the health care needs of the unemployed. Over the next few months, we plan to call attention to these efforts, and to encourage States and private institutions and individuals to emulate the many commendable efforts already underway. I would urge the Committee to undertake a similar effort, to determine ways in which we at the Federal level can be of assistance in promoting such efforts.

Augmenting existing private insurance coverage—providing incentives for increased access

The Administration will also support efforts through legislation to ensure greater access among the unemployed to private insurance coverage.

Federal support tied directly to new financing

Third, the Administration will also support budget-neutral efforts to assist those for whom increased access and private sector and State assistance is deemed insufficient. If the Committee determines that increased resources are needed for this purpose, the Administration will support increased funding if and only if the Committee also provides a commensurate level of revenues, beyond those provided for in the President's budget proposals, to prevent increases in the deficit.

Legislative changes

The specific legislative measures which the Administration would support are:

Mandated coverage/conversion privileges

The Administration would support amendments to the Internal Revenue Code to mandate:

Continuation of the present employer plan beyond termination, at individual rates at the expense of the former employee, for the lessor of one year or the period of unemployment; and

An option for former employees to convert to a special low-cost "catastrophic" insurance plan, at market rates at the expense of the former employee, for the same period of eligibility.

The combined effect of these provisions would be to ensure unemployed workers access to a health insurance plan without disqualification for pre-existing conditions or other circumstances. By eliminating the need for the unemployed to seek and find out their own coverages, more families are likely to avail themselves of coverage.

Mandatory open enrollment upon termination of a working spouse

The Administration would also support legislation to ensure that individuals who lose insurance coverage at unemployment can be enrolled speedily in a plan available to their spouses. Specifically, the Administration would support:

Permitting workers who had previously elected self-only coverage to elect full family coverage when a covered working spouse becomes unemployed; and

Permitting workers who had previously elected not to accept coverage in favor of enrollment in a working spouse's plan to elect full family coverage should that spouse become unemployed.

As noted earlier, 40% of the unemployed have working spouses. While precise estimates are unavailable, we believe that the combined effect of these provisions will ensure coverage for a significant share—perhaps as many as one-third—of the unemployed.

State assistance through the social services block grant

The Administration would also support amendments to Title XX of the Social Security Act to make State provisions for health insurance for the unemployed an eligible activity under the Social Services Block Grant. In doing so, the Administration believes that the broadest possible latitude should be granted to the States to establish eligibility, benefit and delivery mechanism provisions. In that way, States will be able to use the funds available to them to assist those who are uniquely in need of help within their own States.

If the Committee agrees with this recommendation, and wishes to provide added financial resources under the title to the States for this purpose, the Administration could support such increased funding only if additional revenue measures are enacted to finance whatever incremental increase the Committee finds appropriate. Specifically, the Administration would support simultaneous enactment of the Administration's proposed cap on the exclusion of employer contributions from Adjusted Gross Income as an acceptable method of financing. Any funding increase under title XX, however, would have to be matched with a corresponding decrease in the level of the monthly exclusion cap below the level—$175/month for family coverage—that the Administration has proposed.

For example, enacting the cap in 1984 at the $160/month level would increase revenues in calendar year 1984 by approximately $500 million above the level assumed in the President's budget.

The Department of Treasury staff stands ready to provide technical assistance to the Committee as it considers these recommendations.

Knowing the Committee's desire to move forward expeditiously in this area, the Administration does not propose that you delay your proceedings further while we prepare draft legislation. Rather, we would welcome the opportunity to work together with the Committee to produce legislation within the scope I have just outlined. We are hopeful, Mr. Chairman, that my legislation developed by this Congress to address the health care needs of the unemployed could be fashioned in a manner that the President could accept. I look forward to working with you and your Committee toward achieving that end, and would welcome any questions that the Committee might have.

Mr. HUMPHREY. Again, can the Senator assure us that the program passed by the Finance Committee will be a block-grant program?

Mr. DOLE. That is an area we have discussed with the Senator from Indi-

ana, Senator QUAYLE, and others, as to whether that is an effective way to proceed. I have no quarrel with how it is done. If it can be more efficiently done through the States, through the Governors, somehow through medicaid, so we do not create another whole new structure, I have no quarrel with that. We have not determined the best way to do it, the most cost efficient and the most effective for those who might benefit from the program.

Mr. HUMPHREY. What is to prevent the infinite perpetuation of this program? Can the Senator assure us that there will be some level of national or State unemployment below which this program will be terminated by law?

Mr. DOLE. We have that in our draft now. In fact, some Senators are complaining they are not eligible. We require that at a minimum a State have a 4-percent IUR. If you fall below that rate, you are not eligible. Some say it ought to be lower as that rate does not cover certain States.

We are trying to make certain we do not have an open ended program.

Of course, one additional help we would have is in the election. If we retain a majority in this body, I think we can make certain that we will not have a program that will go on and on for the next 10 or 20 years.

We have put a 2-year limit on it. There is no limit at all on the House provision. I am not certain whether the Senator from Massachusetts has a limit. I understand it is a program funded at $2.7 billion per year in fiscal year 1984 and fiscal year 1985, and $900 million in fiscal year 1983.

Mr. HUMPHREY. My last area concerns why we need this at all. We have medicare programs to take care of experience in exigent circumstances. Why must we create a whole new program at this time?

Mr. DOLE. Medicare, of course, mainly addresses senior citizens.

Mr. HUMPHREY. I meant to say medicaid. Excuse me.

Mr. DOLE. Medicaid might help some. However, the vast majority of unemployment insurance recipients are not eligible for medicaid, as I indicated to the Senator from Idaho.

Mr. HUMPHREY. For what reason?

Mr. DOLE. Because it is unlikely that many would qualify for one of the two cash assistance programs which lead to medical eligibility. One is SSI and one is AFDC.

Mr. HUMPHREY. They do not qualify for that because most of them are receiving unemployment benefits of one kind or another, is that not correct?

Mr. DOLE. That is, in part, correct.

Mr. HUMPHREY. So they are above the income level that would qualify them for these other programs. Is it unreasonable to——

Mr. DOLE. Mr. President, I think it might be helpful to have this in the RECORD.

The SSI program is targeted to low-income individuals who are aged, blind, or disabled, so few, if any, of the unemployment insurance recipients are going to fall into this category.

AFDC is the more likely avenue to medicaid coverage for unemployment insurance recipients. However, that is going to be limited. The AFDC program is targeted to needy children, and their mothers, and other caretaker relatives; children who have been deprived of parental support. In our proposal we are talking primarily about intact families—two parents and children. AFDC would apply more to those whose fathers are away from home.

At present only 23 jurisdictions offer AFDC cash assistance to children in two-parent families who are needy because of unemployment. Furthermore, eligibility on the basis of a parent's unemployment is limited to those families in which the principal wage earner is unemployed.

Given that all these conditions are met, AFDC eligibility for UI recipients is still unlikely due to income and asset tests. In determining AFDC benefits, the States must take into account family income. Since the UI benefits, in many instances, exceed the AFDC benefit levels, UI recipients would be ineligible. Furthermore, families are ineligible for AFDC if their equity in allowable resources exceeds $1,000, excluding the home and one automobile. The equity value limit on the one allowed automobile is $1,500.

As I indicated earlier, we cannot say to some young couple in Detroit, or Topeka, or wherever it might be that it is too bad you have been out of work, too bad you have lost your coverage, but we do not believe there is any Federal responsibility. We believe there is a limited responsibility, and we are trying to make it as tight as we can. We are not talking about extensive coverage, we are talking about emergency-type coverage. I hope that we are able to restrict it in ways that would satisfy the Senator from New Hampshire.

Mr. HUMPHREY. I appreciate the clarification by the chairman, Mr. President, but I think it has to be obvious, based on empirical experience around here, that by creating—whether we say it is only for this particular period of unemployment or not—this new benefit, we are creating a permanent benefit that, even if it is turned off sometimes, is going to be turned back on every time we have a period of unemployment. In effect, we are creating a whole new kind of Federal benefit at a time when we should be striving to reduce entitlements and get some control over this very kind of spending. It seems to be inconsistent with the rhetoric we have been hearing in these last few weeks as we have struggled with the budgets and the deficits. We are creating a whole new class of welfare benefit.

Although the case of unemployment without health insurance is compelling, these cases are always compelling. So is the case of saving the Nation from catastrophe. We are always called upon to pass these measures in the name of compassion, but where is the compassion in a national debt of $1.280 trillion, which will climb by several hundred billion dollars this year and approach the $2 trillion by the end of the 5-year budget figures we have under contemplation?

If the recovery is aborted, as is likely, by high interest rates driven up by Federal borrowing, where is the compassion in that? I believe the Senate is making a mistake or will make a mistake if it passes this proposal, no matter how compassionate it may seem in these particular circumstances.

I thank the chairman for his assistance.

Mr. DOLE. Mr. President, I thank the distinguished Senator from New Hampshire. It is a close call, no doubt about it. There is a tendency when the Government starts to react to a problem that it generally overreacts, and we too often end up with an expensive program that is out of control. Medicare is about the best example this Senator knows of. We were told a decade ago if we did not watch the cost of medicare, it might reach $9 billion by 1990. It is in the budget this year for $57 billion and the 1990 cost is projected to be over $100 billion. So there is no doubt that the Senator from New Hampshire knows the topic and knows the problem. That is just one program. I can bring in farm programs, education programs, defense programs, health programs, where, once they start, they are hard to curtail. But it is my hope that we can be sufficiently restrained in what we propose to do.

Plus, I think the one clear advantage in this type of amendment is that we have offered to offset the cost. We say in our amendment, "Offset through revenues." I think there are other ways to offset it. I would rather offset it with spending reductions in some other programs so we do not add another large program, but reduce one enough to make room for it.

I assure the Senator from New Hampshire that we appreciate his indication of his concern and we are going to try to act responsibly in the process.

Mr. President, I modify my amendment on page 2, line 2, to insert, after the word "by," the figure "$900 million;" and on line 3, after the word, "by," "$675 million."

The PRESIDING OFFICER. The amendment is so modified.

The amendment (No. 1235), as modified, is as follows:

On page 3, line 12, increase the figure by $225,000,000.
On page 3, line 13, increase the figure by $900,000,000.
On page 3, line 14, increase the figure by $675,000,000.
On page 3, line 18, increase the figure by $225,000,000.
On page 3, line 19, increase the figure by $900,000,000.
On page 3, line 20, increase the figure by $675,000,000.
On page 2, line 8, increase the figure by $225,000,000.
On page 2, line 9, increase the figure by $900,000,000.
On page 2, line 10, increase the figure by $675,000,000.
On page 2, line 14, increase the figure by $225,000,000.
On page 2, line 15, increase the figure by $900,000,000.
On page 2, line 16, increase the figure by $675,000,000.
On page 17, line 1, increase the figure by $225,000,000.
On page 17, line 2, increase the figure by $225,000,000.
On page 17, line 8, increase the figure by $900,000,000.
On page 17, line 9, increase the figure by $900,000,000.
On page 17, line 15, increase the figure by $675,000,000.
On page 17, line 16, increase the figure by $675,000,000.

MR. DOLE. Mr. President, I know the Senator from Massachusetts may want to raise some questions or debate or substitute his own proposal. I do believe we have tried to address this problem in the right way. Some would say it does not go far enough. We have had an indication that it goes too far. Some would say we should do nothing; some would say we should do everything. It is the hope of this Senator that, with the administration's support and with the willingness to offset the cost of the program, as we have indicated in our amendment, we might have a strong bipartisan support of this concept.

I suggest the absence of a quorum, unless the Senator from Massachusetts has something he wishes to say.

Mr. KENNEDY. Mr. President, as the Senator from Kansas knows, I intend to offer an amendment in behalf of myself and Senator RIEGLE at the time that the time of the Senator from Kansas has expired. I shall withhold my comments until then.

(The names of the following Senators were added as cosponsors of the amendment, as modified: Mr. D'AMATO, Mr. BOSCHWITZ, Mr. PERCY, and Mr. JEPSEN.)

● Mr. JEPSEN. Mr. President, I believe we must address the problem of lack of health benefits for the unemployed. Currently a large percentage of the unemployed in Iowa are in danger of losing health care insurance. Some have already lost their health care benefits. Providing health benefits for the unemployed means replacing lost coverage. It does not mean creating a program of national health insurance.

Our proposal provides for health care funds for a limited period of time. We do not simply add to the debt as the Kennedy amendment suggested.

We provide the revenues necessary to finance the program, resulting in no increase in the debt.

There is a real problem out there. People are not getting the care they need because of loss of health benefits. We cannot turn our back to this problem. I urge my colleagues to support this amendment.●

Mr. STEVENS. Mr. President, I am pleased to cosponsor the amendment offered by Senator DOLE and many others which would provide health insurance benefits to qualified unemployed workers, including in-patient and out-patient services, hospital and physician's services. Under this amendment benefits would be funded by $1.7 billion from the Federal Government, with contributions from State governments. This is particularly important for Alaska as we have one of the highest unemployment rates in the Nation. In fact, some areas of Alaska have unemployment at nearly 25 percent. Many Alaskans are unemployed through no fault of their own and unable to afford private health insurance. This measure would meet an immediate need for unemployed workers in Alaska and across the Nation.

Mr. DOLE. I am prepared to yield back my time, Mr. President.

Mr. KENNEDY. I am prepared to yield back my time on this side.

Mr. DOMENICI. I ask the Senators, does that mean we shall be expected to go to a vote immediately?

Mr. DOLE. I think the Senator from Massachusetts wishes to offer a substitute.

Mr. DOMENICI. That is fine with me.

The PRESIDING OFFICER. Is all time yielded back?

Mr. DOMENICI. I do not know who is controlling the time.

Mr. KENNEDY. I have control of the opposition. I yield back my time.

Mr. DOMENICI. I yield back time on this side.

The PRESIDING OFFICER. The Senator from Massachusetts.

AMENDMENT NO. 1236

(Purpose: To add additional funds for health-care assistance for the unemployed)

Mr. KENNEDY. Mr. President, I send to the desk an amendment on behalf of myself and the Senator from Michigan (Mr. RIEGLE) as a substitute for the Dole amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Massachusetts (Mr. KENNEDY), for himself, Mr. RIEGLE, Mr. METZENBAUM, Mr. EAGLETON, Mr. RANDOLPH, Mr. DODD, Mr. MATSUNAGA, Mr. MOYNIHAN, Mr. SARBANES, and Mr. CRANSTON, proposes an amendment numbered 1236.

Mr. KENNEDY. 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:

In lieu of the language proposed to be inserted, insert the following:
On page 3, line 12, increase the figure by $930,000,000.
On page 3, line 13, increase the figure by $2,899,000,000.
On page 3, line 14, increase the figure by $3,146,000,000.
On page 3, line 18, increase the figure by $930,000,000.
On page 3, line 19, increase the figure by $2,899,000,000.
On page 3, line 20, increase the figure by $3,146,000,000.
On page 2, line 8, increase the figure by $000,000,000.
On page 2, line 9, increase the figure by $000,000,000.
On page 2, line 10, increase the figure by $000,000,000.
On page 2, line 14, increase the figure by $000,000,000.
On page 2, line 15, increase the figure by $000,000,000.
On page 2, line 16, increase the figure by $000,000,000.
On page 17, line 1, increase the figure by $900,000,000.
On page 17, line 2, increase the figure by $900,000,000.
On page 17, line 8, increase the figure by $2,700,000,000.
On page 17, line 9, increase the figure by $2,700,000,000.
On page 17, line 15, increase the figure by $2,700,000,000.
On page 17, line 16, increase the figure by $2,700,000,000.

Mr. KENNEDY. Mr. President, first, I want to express my own appreciation and, the appreciation of the unemployed workers of this country to the Senator from Kansas, as well as the Senator from Indiana (Mr. QUAYLE), who is the chairman of our Employment Subcommittee, for the attention and the interest that they have given to this issue. With the very sizable increase in the numbers of people who have lost their jobs in the last 2 years, there has been a very substantial increase in human need because most of these workers have lost their health insurance coverage.

The United States has just suffered through the worst recession since the Depression—and now we are suffering through one of the weakest recoveries. More than 11 million Americans are out of work. Businesses and farms continue to fail throughout the Nation—and workers continue to lose their unemployment benefits.

One of the worst consequences of this deep recession is the loss of health insurance—which too often

compounds the tragedy of unemployment.

The dimensions of the problem are staggering. The Congressional Budget Office estimates that over 10 million Americans and their dependents have lost their health insurance because they lost their job. Millions are forced to go without essential health care because they face the cruel choice between paying the bill for food and rent, or paying the doctor's bill. Infant mortality is rising in hard-hit States, where the number of women who receive no prenatal care has tripled.

But these are only the bare statistics. The real human tragedies are even more compelling. Earlier this week the Labor and Human Resources Committee heard from some of these families.

We heard from Mrs. Sloan of Turners Falls, Mass. Mrs. Sloan is a widow with four children. For 4½ years she worked at the Ingersoll-Rand Co. She was laid off a year ago. Her unemployment benefits ran out this March. Mrs. Sloan's 16-year-old daughter has a rare form of arthritis. She needs to see a specialist. Visits to the doctor cost her $100 every time she needs to go. Mrs. Sloan's child does not go to the doctor anymore, because Mrs. Sloan cannot afford to pay the doctor, feed her family, and pay the rent.

We heard from Mr. McCormack. For 10 years, Mr. McCormack worked as a crane operator at Bethlehem Steel in Baltimore. He was laid off in February 1982, and has been unemployed ever since. Mr. McCormack's 6-year-old daughter needs an operation to have her tonsils and adenoids removed. But she cannot get that operation. The hospitals tell him that they cannot admit his daughter unless he pays them money up front. But he has no money to pay up front. His unemployment benefits and his wife's salary come to only $225 a week. From this amount he has to pay his mortgage and his life insurance and the insurance on his car so he can drive around to look for work.

We also heard from Nicholas Contos of Flint, Mich. When Mr. Contos and his wife lost their jobs, they lost their health insurance. When Mrs. Contos became pregnant, they found out that the hospitals required that they put up $3,500 up front for care.

Mrs. Contos had a complicated pregnancy and her baby was born prematurely. The hospital bill for the Contos is $60,000. The Contos will spend the rest of their lives paying off the bill. They face the future under the shadow of doubt, doubt and despair.

These are the men and women who worked hard to build America. They are not out of work because they want to be. Mrs. Sloan from Massachusetts even gave up her widow benefits under social security to take her job. Now they are out of work by no fault of their own and they have no where to turn for health care.

The stories we heard are not unique. All across the United States, unemployed workers have lost their health insurance and lack the funds to pay for health care for their families and themselves.

Our amendment is a modest one in view of the magnitude of the problem. We would provide $900 million to States immediately in fiscal 1983, to begin to help out these unemployed families. For the next 2 years, we will provide $2.7 billion each year to meet the health care needs of the unemployed. Even with this level of funding, the benefits would be modest. We estimate that this amount would be needed simply to provide the unemployed and their families with coverage for approximately 9 hospital days and 10 outpatient visits, plus the funds to cover prenatal delivery and postnatal care.

If we fail to act, the cost will be much higher. Thousands of children will suffer from serious and potentially irreparable illness because they could not get essential primary and preventive care. Thousands of pregnant women will fail to get needed prenatal care to be sure their babies are healthy and well. Millions of unemployed workers and their families will live under the shadow of huge debts for emergency hospital care they cannot afford.

The surest way to address this problem is to put America back to work. Only reversing the administration's reactionary economic policies can we truly offer hope to the struggling families of America.

But it is not enough simply to wait for the recovery. Health care is too important to be sacrificed on the altar of supply-side economics. No pregnant woman should be denied prenatal care because she and her husband are unemployed and cannot pay the doctor's bill. No workers should lose their health insurance because they lost their job. No families should lose their access to health care because they have become casualities of the administration's unfair war against inflation.

It is time for the Congress and the administration to pay something more than lip service to the social safety net. I hope we can act today to offer some assistance to those in need.

As we have seen so many times in the past, the debate on health issues need not be partisan. We may in the Senate have different ways and means of approaching some of these issues. I believe, as we have seen in the debate yesterday, that we are going to have continued debate and discussion in this body and throughout the country on how we are going to address the issue of medicare and how we are going to get a handle on health care costs in the future.

I again thank the Senator from Kansas. His amendment goes beyond what the administration has requested. I am sure all of us in the Senate are aware of the attention that he has given it.

Quite frankly, Mr. President, it is important that we respond to this need. Anyone who had the opportunity as I did this past week in our Health and Human Resources Committee, chaired by Senator QUAYLE, to listen to the witnesses who over a period of years have been hard-working individuals and have lost their jobs and are now facing significant and in many instances devastating choices for themselves and for their families, could not possibly doubt for a minute that there is an extremely important need.

These Americans want to go back to work. They do not want the survivor's benefits that they are eligible to receive. They want to go back to work, even with a family at home.

We heard from a number of individuals, some who are on unemployment compensation and some who have seen their unemployment compensation expire. They even now are back in their taxes, back in their mortgage payments, have lost their car.

Individuals have asked on the floor of the Senate, "Well, why don't they qualify for this medicaid?" Some of these individuals find they cannot sell their home. Some of them cannot sell their property. Most States do not even cover intact families; therefore, they are not eligible for medicaid.

Mr. President, these are not atypical stories. They are taking place in my own State of Massachusetts and States which have been much harder hit with the devastation of the recession which we have seen in our country.

These tragedies befall not only those individuals who are unemployed and receiving unemployment insurance but also those that are not receiving unemployment insurance. You cannot draw the line and separate them in their need.

I do not question the good-faith efforts of those who are recommending a more modest sum than is included in the proposal that is being put forward by the Senator from Michigan and myself. I do feel strongly, Mr. President, that if we are going to address this issue we ought to do it in a substantive way and not offer false hopes to millions and millions of Americans who today wake up in the morning and live in fear of illness and sickness for themselves and most especially for their children.

One of the most severe problems that we have heard about, Mr. President, is the problem which expectant mothers are facing who are unem-

ployed or whose husbands have become unemployed. Hospitals throughout the country are requiring that before delivery the expectant mother has to put down $2,200 in cash. We have heard the stories about individuals being moved from hospitals because they find that they cannot put up the front end money and they are shuttled from hospital to hospital for medical attention.

That is not the exception, Mr. President. More and more often that is becoming the rule. We have heard that in testimony from the commissioner of health in the city of Philadelphia in the past few days.

Infant mortality is rising significantly in parts of this country. Those statistics we know. The problem is there, Mr. President.

There will be those who say that we ought to study it more; we need more information; we need more statistics. The problem is there. Health officers in any State or in any city of this country understand.

We say that the program that we are advocating is a modest program. The funds in this amendment will provide for only about 9 or 10 doctor's visits a year, and about 9 hospital days of coverage.

We are trying to provide a very modest program which works through the States, and there is substantial agreement on that as an approach.

I have introduced legislation with a number of the Senators to establish a health care program for the unemployed. This bill gives priority to preventive health care services and primary care services and in maternal and child care services. We do give priority to those and do provide some degree of specificity in terms of requirements. Generally, we permit the States to make a judgment on the way this can best be achieved. So we do build flexibility into our amendment. This bill would authorize funding at the same level as is included in the pending amendment.

Our bill and our amendment recognize what we consider the extent of the extraordinary need. We do feel that the amounts which are in the Dole amendment we are trying at this time to perfect are insufficient and inadequate to deal with this problem. We do feel that a sufficient record has been made to justify an amendment. It is virtually the same approach that has been accepted by the House of Representatives. There is an important human need here, and I hope we will address it.

We have heard the question asked, "Where are we going to get the revenues?" Mr. President, we are going to address that, and the members of the Budget Committee know we are going to address those issues as this budget process moves along.

I say that those who probably are going to offer the final substitute amendment—which probably will prevail ultimately—are going to increase the Federal deficit by reducing revenues far more significantly and dramatically than anything proposed by our amendment.

The final point is that we find it difficult, if not impossible, to read the economic projections of this administration, let alone the projections of those within the business community, and labor and believe, as some here have said that this need is not going to be a continuing one. We are talking about a problem that is here, and it will not be gone tomorrow. The best estimate is that even if we should get below 10 percent in unemployment, we are going to be facing 9 percent unemployment in the next years. That obviously is going to be a very significant hardship, and the need for this program will continue.

Mr. President, we cannot minimize the human need and the human distress, not only in the dollars and cents of unpaid doctors' bills.

But also in the anxieties and human tragedies that are being experienced by families every day who fear illness. Our amendment is a small price to pay to relieve this suffering.

Given this emergency situation, I hope this body is prepared to act favorably on this amendment.

I reserve the remainder of my time.

Mr. RIEGLE. Mr. President, I join my colleague from Massachusetts and associate myself with his very important and powerful remarks with respect to this problem and our response to it.

The perfecting amendment we have sent to the desk attempts much more fully to respond to the problem of unemployed workers and their families and their health needs than does the primary amendment that has been offered by the Senator from Kansas.

I do want to say, with respect to the work of the Senator from Kansas (Mr. DOLE), that he is in the leadership as to the issue of how we begin the process of providing health insurance to unemployed workers and their families. That matter has moved expeditiously in the Finance Committee, with hearings on that subject, at which I and others have appeared; and I appreciate the fact that he has come to the floor today with a proposal, although I think that proposal falls short, principally in the amount of money being provided to try to meet this need.

To give an idea as to what we are talking about here as to the magnitude of the problem and the amount of money required, the Congressional Budget Office has estimated that if we were to provide health care insurance for all the unemployed workers in the country and their families, it would cost us about $6 billion a year. We have not proposed going that far, although we would like to, and the need is clearly there. We have come in with a proposal—the amendment now at the desk—of about $2.7 billion, which is less than half the amount of money that is estimated in order to treat the entire problem across the country. However, our $2.7 billion proposal has to be looked at in contrast to the underlying proposal that we are attempting to change and augment, which is a figure of $900 million. So we are talking here about a substantially broader reach of effort to these persons across the country who are caught in this situation.

If we were to see our amendment go down—and I hope that will not be the case—the underlying amendment has enough money to provide roughly 2 months' worth of insurance coverage out of the 12-month year for all the people across the country who need that help. So while it makes a start in the direction of the problem, I do not think it goes nearly far enough.

I might say, too, that if we are going to underfinance this need and understate the magnitude of the problem out there, which is really America's problem—and that is why we raise the issue on the Senate floor—if we do not take account of the magnitude of this problem, we are going to be left with the contradiction of an inadequate program that will respond to the needs of some but not others. It is not clear to me how that is to be done.

In other words, are we to go on a given block in a given town and say to one unemployed family with medical problems: "Yes, we are going to help you meet your urgent medical needs," but say to the unemployed family next door, "I am sorry, we cannot help you because we did not provide enough money"?

Will we say, "We have to make a choice, and we are helping your neighbor next door, but you will have to go without"?

Or are we to say to a family with very severe medical problems, with children who are sick, or with a major medical expense, "We will help you, but we can only give you a small amount of help"? We might say, "We can't respond to the entire problem in your family. We can help to the extent of a minor illness but not a major illness. Or we can help with the problems of one child but not two or three children."

I do not think we should put ourselves in those contradictions.

What we have to understand is that the magnitude of the economic disaster that has hit this country is something we have not seen in 50 years in the United States. You have to go back to the days of the Great Depression to find a situation where 12 mil-

lion or more Americans are out of work and you have had people out of work for such a long period of time that they have exhausted their unemployment benefits, their health benefits, and, as has been noted, have had their assets stripped away and literally, in many cases, have had to go out on the road and become wanderers across the country and find work wherever they can, or find some income where they can. We know that lots of people have ended up living in shantytowns and under bridges, and things of that kind.

So the problem is real and it is one that confronts us and it is one that I think we have an obligation to respond to.

Now some will say—I have not heard it said yet in this debate—why is it our responsibility? Why should the Government respond? Especially those who think the Government is sort of an alien and evil force will say why should we see this as a requirement of the Government to step up to this problem of an unmet medical insurance need and health need throughout the country?

The answer to that is very simple. The answer is this: 220 million-plus people who live in our country are part really of our family, the American family of all of our citizens. They are the most valuable and important asset in this Nation. In the end, it is not whether it is the furniture in the room or the brick and mortar of this Capitol Building, our assets across the country that are our factories, our missiles, or even our land or any of the natural resources that are the true treasure of this country. The thing that gives all this meaning is the health and well-being of our people.

So we have an obligation to see that our people have a chance to maintain themselves and particularly to maintain their health and their physical strength.

So in a sense we not only have to respond to emergency medical problems as we properly should but as well we should go beyond that to the question of making sure that there are sufficient income levels available to people so that they are able to eat, they are able to be properly sheltered, and so forth.

That to me is a mark not only of a humane nation but of a modern nation, to recognize the fact that we in this country have an obligation to all of our people and to not turn our backs when we find a situation of a national economic catastrophe that has damaged so many millions of people across the country.

One of the great ironies is that when we have national disasters like Mount St. Helens out in the States of Washington and Oregon, where there was an enormous immediate loss and hardship to people, and so forth, we responded as a nation. When the floods have hit other parts of the country or hurricanes have hit other parts of the country again we responded. In fact, we even set up institutional programs so we are in a position if floods should strike or other things of that kind where we can move in and make national help available because we view that as a national calamity and we view a sense of national connection to a broader purpose to help one another in situations like this that are beyond the control or beyond the strength of an individual person or a family.

So it seems to me that we should respond in that exact same spirit where we have a situation now where we have millions of people who worked through a lifetime of work who want to be working, where there are no jobs available. They have exhausted their unemployment benefits. They have exhausted their health insurance. They are sick. Their wives and husbands are sick. Their kids are sick. They need medical attention, and they should be able to get it. This country should respond to that need 1st not 5th or 25th or 205th. It should be the first thing on the list. It should be our top priority.

As I look around this Chamber, we have Members on this floor today who I know from personal experience have had enormous medical difficulties in their own personal lives and their own families, life-threatening situations. I have had it in mine as have others on the floor, Members who have been in situations where without the best of medical care they would not have been able to survive as well as members of their family.

But because we were fortunately enough situated we got the medical attention we needed. We got that help when we needed it. Therefore, we have been able to survive and come forward as have the members of our families.

Why should it be any less for anyone else in the United States? Why should the citizens of this country not be entitled to the chance to be able to enjoy decent health and especially if they are in a threatened situation as we clearly know the case to be now?

We have all kinds of money in this budget for everything else that one can imagine. If we go into the defense budget, there is every kind of weapon that the mind can devise, chemical weapons, nuclear missiles. We have every sort of hardware that can be devised. We have gone right to the outer limits of the imagination of men and women to devise how we can be the most efficient in killing one another. In fact, we are second to none in that area. And this budget is bursting at the seams with money to finance all of those activities.

Yet literally within walking distance of this Senate Chamber we have people outside in the immediate neighborhoods and stretching out throughout the 50 States who are in desperate medical difficulty and have not a dime to pay to go out and get the medical treatment and help that they need.

So there is something wrong here when we say to ourselves in a budget that is up nearly to the trillion dollar range that we cannot find the money in an emergency situation to respond to a problem where you have people out there who are sick and need help and cannot get it any other way. That is what we should spend our money on. That is where we should start.

If this country is going to be strong in the end, it is going to be strong because its people are strong because they are strong in body and beyond that I would hope in efforts to get people back to work so they can produce, produce for themselves, produce for the Nation because the people that I talked to who are out of work want to be back at work.

That is what our orientation and our priorities should be in this budget. We should not have to come to the floor and fight now for an amendment that only meets half the problem, and that is what we are proposing here because of the financial limits that we are seeing.

But we should be prepared to go at least that far because we can wring that money out any number of other ways in the budget if we are serious about the problem of the overall stress on the Federal budget. But even that argument turns into a lame one when you are looking at the fact that we are talking about a budget up in the $800 billion range and we are talking here about a program of about $2.7 billion.

So we are not talking about something that percentagewise is anywhere near the magnitude that would warrant someone saying this cannot be afforded.

As a matter of fact, today we were cross-examining in the Banking Committee one of the top officials from the administration's Office of Management and Budget and he was saying on the record that over the period of the 8 years since this administration has come in office we are going to add $1.1 trillion to the national debt. Those are large numbers. But if we have national purposes and needs out there that require that kind of massive accumulation of public debt surely in percentage terms we can find this very tiny amount of money, this very small percentage, to respond to the emergency medical needs of rank and file Americans who are out there right now and who need that help.

You know we have never been a nation whether in peace or in war that has left our wounded behind. That has not been the American tradition.

When we drive down the highway most of us when we come upon the

scene of an accident that has just happened in an automobile, we do not just drive on by. We stop and we get out. We try to help someone. We try to comfort people and we try to get medical attention to them and get an ambulance to the scene so that their lives can be helped and be saved. That is what we do. That has always been our tradition.

But if we say no and turn our back on this emergency medical need in this country today on the scale in which it exists it is just as if we were driving right on by—"Sorry, we can't help you; sorry, no, we are not interested; no, your problem is not important enough. I am all right, and I am going to concentrate on myself, and you are going to have to solve your problem the best way you can."

The same in wartime when we had situations in wartime when there were countless instances where we had situations where we had wounded people out on battlefields all over the place and some of the finest parts of the history of this country have been other people risking their lives, their very own lives, to go out and help someone and to try to save someone else's life at the risk of their own.

We say it in the Air Florida crash. We had a Federal employee—everyone was standing around on the riverbank, a woman was drowning, and he jumped in and swam out and saved her life at the risk of his own.

That is what this country is about and that is what this amendment is about. When you have American citizens that are in serious and urgent risk we respond by saying yes, we are prepared to help. That is why the Senate is here. That is why we have a Federal Government. It is what makes us different and makes us a civilized society.

So, yes, we have the money to do this. We are going to spend far more money in this budget on an endless number of things that are less important and where the dollar amounts are larger than what we are proposing in terms of this emergency health care proposal that we are putting forward.

As a matter of fact, I might just say one other thing. We have laid out an approach we think is a good approach, but in the budget document if this number of dollars is approved it does not mandate our particular approach. If a different approach can be found that is better and more cost effective fine, let us go that way. But if we do not provide the money, if we do not step up to the problem in the first instance and say, "Yes, we are willing to sign on the dotted line and willing to spend that money to help our people," Then we are driving right by this problem. I hope that will not happen.

I finally say to the Federal employees in this room, and I mean by that not just the Members but the employees of the Senate, and members of the professional staffs of the Members who are here, we have good health care. Everybody around this room has good health care. When the President of the United States was shot he got immediate and good health care, as properly he should have. So we are all taken care of. We have seen to that in the past, but we have an obligation to see to the least of us, and that, fundamentally, is our public service obligation. It is not just to see to our own needs and not just to think of this in selfish terms but to think in terms of what is needed across this Nation and to the person out there who is in the worst of circumstances. If we are not big enough to respond to that problem then I think we will have failed our duty as Members of this Government.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, what is the time situation with respect to the amendment?

The PRESIDING OFFICER. The Senator from Massachusetts has 2 minutes and 17 seconds.

Mr. METZENBAUM. Mr. President, I ask the Senator from Michigan who, I understand, is handling time on the bill, I be allotted such time as may be necessary off the bill.

Mr. RIEGLE. I yield such time to the Senator from Ohio.

Mr. METZENBAUM. Mr. President, there is no question but Congress is going to take some action in connection with the problem of millions of Americans who are not now able to meet their health care costs by reason of their being unemployed, and the issue before us is, what are we going to do?

There is a general acceptance of the fact that you cannot let millions of Americans go without health care. It is my understanding the House budget provides $2.7 billion for that purpose, and that this amendment, which I support and of which I am a cosponsor, is also $2.7 billion for fiscal year 1985 and 1986.

Now the question is, can we afford not to do it?

Our States and the Nation, as a whole, will in future years pay a terrible price for medical problems that are today going untreated.

The evidence is already coming in.

For the first time in decades, the trend in infant mortality rates has reversed. Infant mortality is now increasing in those States and cities with high unemployment rates.

Hospital emergency rooms are crammed with those who have nowhere else to turn. Some hospitals are closing their doors entirely to the poor.

Others are on the brink of financial disaster.

Physicians and hospitals are also seeing persons with serious, life-threatening health problems which could have been easily treated at an earlier stage.

On paper, this Nation's health care system looks good—medicaid for the poor, health insurance for the workers, and medicare for the elderly and disabled. The problem is, Mr. President, that it is not working!

Our medical system is full of gaping holes and there is no way to fill those holes without spending money.

The Reagan administration, however, believes that we can solve the problem without spending money. How do they propose to do it?

The argument has been made by the President of the United States about voluntary effort—that you can count upon the doctors and hospitals and they will provide the necessary health care. But we know from the hearings we conducted the day before yesterday that that is not the case. The fact is that the doctors and the hospitals are turning people away day in and day out.

After I had read in the newspapers that the President had been advised by the president of the American Medical Association that the physicians of the country would attend to the problem and that they could be counted upon to do so on a voluntary basis, I asked my staff to check around the major cities in my own State to see whether, by calling a local physicians' group, we could find a doctor for an unemployed person who would be willing to provide assistance. We found that only in 3 of the 12 cities were they prepared to give us an affirmative response. It was our conclusion that at least half the cities are not providing any kind of response at all for unemployed workers in need of health care.

In all fairness to the president of the American Medical Association, there was a correction to the story in the newspaper indicating that he had said the doctors were providing voluntary medical assistance to the unemployed. I am told that statement has been corrected. He did not say that the doctors could take care of the problem, because the AMA has come out in support of legislation to provide for payment of health care services.

The second part of the administration's proposal to provide health care for the unemployed is to allow the States to use their title XX block grant funds for this purpose.

Title XX funds pay for day care programs, elderly nutrition programs, home health care assistance, and other vital services. These funds were cut by approximately 25 percent in the first year of the Reagan administration and States have been forced to make severe cuts in social programs as

a result. Now, we have the administration proposing that States could cut these programs even further in order to provide health care for the unemployed. Aside from David Stockman, I do not think there are many who consider this a reasonable solution.

The third part of the Reagan administration proposal says that if we do have to spend any additional Federal dollars on this program, let us tax employees' health insurance benefits in order to pay for it. This is the same administration that claims it does not want to raise taxes and will veto a budget resolution that includes tax increases.

I think that we need to recognize that there is no such thing as getting something for nothing and that we now have to pay the price for the disastrous unemployment which our economic policies have wrought.

Last week, Senator KENNEDY and I, along with the other Democratic members of the Labor and Human Resources Committee, introduced a bill to provide assistance to the States for health care for the unemployed. Some have criticized this bill as being too costly. In fact, it will provide only a bare minimum of needed medical services.

We cannot afford the luxury of inaction in this area. We have a responsibility to young Americans, children, mothers in need for prenatal care, babies in need of assistance from a pediatrician. If we do not provide adequate medical care for those children now or the mother in the prenatal condition we will pay a much higher price in the future.

This proposal is a very reasonable one.

Mr. METZENBAUM. Mr. President, the issue only is will we meet our responsibility or will we try to do too little and will it be too late? I think this amendment, of which I am one of the cosponsors, will provide a very major move in seeing to it that it is not too little and too late and I hope my fellow Senators in this body will see fit to adopt it.

Mr. DOMENICI. Mr. President, I think on our side unless the Senator from Kansas has anything further we are ready to vote shortly. I yield 5 minutes to the Senator from Kansas.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DOLE. Mr. President, I will not take 5 minutes. I thank my colleagues, the Senator from Michigan (Mr. RIEGLE), Senator METZENBAUM and the Senator from Massachusetts. I again think we can say there are vast differences in the two programs but I think the record should also show that a number of us on both sides have been trying to figure out the best way to go. It just seems to this Senator, if in fact we are going to get into this area, as I believe we should, then we ought to be able to find the resources to pay for the program, whether it is revenues or whether it is some spending reduction or whatever it may be. So I am hopeful whatever may happen on the vote on this amendment that we are in agreement.

Certainly the Senators who have spoken, the Senators from Massachusetts, Michigan, and Ohio have been in the forefront of efforts in trying to put this up front. It now is up front, it has the attention of the administration. There have been hearings in the Labor and Senate Finance Committees and we are ready to go into a markup in our committee, and I am hopeful we can proceed very quickly as soon as we have a budget resolution.

So I want to thank my colleagues on both sides of the aisle for the bipartisan cooperation we have had in this area. We may not have the perfect amendment, we may need to do more. Some may suggest we do less, but at least we have indicated as clearly as we can that we support the effort and we are willing to find the revenues so there is no increase in the deficit. I hope, only for that reason, we might defeat the amendment of the Senator from Massachusetts and others and then have a vote on the amendment offered by a number of Republicans and Democrats which would be smaller in scope and would be offset by revenues so there would be no deficit.

Mr. DOMENICI. Mr. President, obviously, as chairman of the Budget Committee, my job here is not to pass on the details of a program to provide health insurance to unemployed workers. That is the business of the Finance Committee and the Labor and Human Resources Committee of the U.S. Senate. What I think is healthy and good, however, is that there appears to be very broad bipartisan support for addressing this problem.

Most of our health and social service programs that are aimed at helping people in need are not focused on the long-term unemployed who previously had good jobs. Most programs are means tested and do not contemplate that a family own a house or have other assets. Thus, for many of the unemployed, Federal health and social service program offer no help.

Certainly, that is the case for medicaid, no question about it. Some of the long-term unemployed workers will be helped by medicaid, but that is only a small portion.

As you look down the list of those programs that might help, it is obvious that a big vacuum exists. But I do hope today in the Senate that we understand that this is a very difficult problem to solve. It will be very difficult to draft a program that is fair and, at the same time, maintains budgetary responsibility.

I commend Senator DOLE on my side of the aisle and those with him who have worked hard to bring this issue to the forefront and I am sure they are going to succeed in drafting and passing legislation to address this problem. To those on the other side, I commend them also.

But, frankly, I think we ought to be careful in addressing this issue. Certainly I do not think we ought to create a new entitlement program too quickly.

Second, we ought to be cautious about estimating what the program we do put together is going to cost. I was not here when medicaid was paved. I do understand, however, that the record of debate on the floor of the Senate says that that probably was going to cost Federal, State, and local governments $800 million a year. I just checked and it is $21 billion to the National Goverment and just about 15 billion to States and localities.

When we put medicare on the books, what did we think it was going to cost in 1990? The estimates that came out of the committees and that were used on the floor were $10 billion. The program in 1990 will cost $100 billion.

I mention this underestimate only to emphasize our inability to project costs in health programs. We must be careful to assure that this growth, far beyond estimated levels, will not occur again.

It seems to me, we ought to send a message to our Finance Committee and our Labor and Human Resources Committee that they ought to focus aid on those who really need it, not create unending entitlement programs, we do not want to have a program with a first year estimated cost of $900 million, as contained in the Dole approach, ballooning to a much higher level in subsequent years.

I have nothing further.

Mr. KENNEDY. Mr. President, I yield myself 3 minutes and then I will be prepared to vote.

Mr. President, the chairman of the Budget Committee, I think, has put his finger on one of the real public policy issues of our time, and that is the explosion of health care costs.

The fact remains that prior to the enactment of medicare and medicaid in 1965, the elderly people were paying about 20 percent of their income for health care costs and now they are paying the same percent out of their pockets now. They are not financially better off. Why?

Health care costs have gone up through the ceiling. This body has to make a judgment—are we going to reduce the benefits to the elderly and those in need or are we going to bite the bullet and really try to deal with the explosion of health care costs for hospitals and physicians? We are going to face that issue in the very near future. I look forward to working with the chairman of the Budget Com-

mittee and the Finance Committee to address constructively this critical problem.

A final point that I would make. A question has been raised about can we afford it in this budget. I support the revenue measures which have come out of the Budget Committee that provide about $30 billion in revenues. That issue will be debated back and forth on the floor of the Senate.

But I dare say that many of those who are questioning the support for our amendment because it does not provide for additional revenues, and saying that we are going to be coming here later in this debate and reducing those revenue-raising measures and increasing the deficit themselves. And I think I can say that without fear of contradiction.

But before we take seriously their argument that we are not going to be able to afford our amendment I hope that our colleagues, particularly on the other side, would give us some assurances that they were prepared to stay the course with the Budget Committee's recommendations of $30 billion in revenues.

HEALTH INSURANCE PROTECTION FOR UNEMPLOYED WORKERS AND THEIR FAMILIES

Mr. GLENN. Mr. President, a majority of Americans are protected under group health insurance plans through their or a family member's place of employment. This is because group coverage rates are substantially lower in cost than individual policy coverage and the employer frequently pays most or all the premium coverage.

Today, the devastation of the recession has touched the lives of millions of Americans who have never been without work before, and who have never been without health care protection before. These citizens are finding that individual health insurance coverage is unaffordable. Families are finding they do not qualify for Government medical assistance. While medical needs continue, due to the high cost of health care, many individuals are simply postponing seeking care unless or until they become seriously ill.

The loss of health insurance coverage for Americans who have lost their jobs is not a new problem. There have been unsuccessful efforts in the past to establish programs of protection for unemployed workers and their families. However, the growth in the numbers of people who have lost their jobs and the unprecedented length of their unemployment in recent times, has made this an issue of pressing national concern.

The Congressional Budget Office now estimates that 14 million people—workers and their families—have lost their health insurance coverage as a result of unemployment. Adding to this, the Congressional Budget Office estimates that unemployment will remain above 9 percent for some time. This means some 21 million people could lose health benefits this year as a result of unemployment.

Over the past 2 years, joblessness has become less and less a short, temporary setback for workers. During the last year, we have seen longer periods of joblessness, greater exhaustion of financial reserves, and growing emotional and physical health problems on the part of those out of work. We do not want this to become a permanent part of our economic and social landscape.

The lack of health insurance protection is an especially difficult concern for the unemployed because of the high level of stress associated with unemployment. Unemployment unravels dreams. Homeownership and a good life for the children can be lost or threatened. Compounding other worries, is the additional stress of knowing there is no protection against potentially, devastating, and ruinious medical bills.

With this Nation having endured the worst unemployment since the Great Depression and barely on its way to recovery, clearly the time has come for the Federal Government to help provide shortrun medical aid for those who are and have been suffering. Assistance is desperately needed.

I urge my colleagues to support this program to provide basic health care benefits for the unemployed and their families.

Mr. SARBANES. Mr. President, I am very pleased to join today with Senators KENNEDY and RIEGLE in cosponsoring this important amendment to provide emergency health care assistance for unemployed workers. This amendment would provide $900 million in fiscal year 1983 and $2.7 billion in fiscal year 1984-86 to assist the States in developing a program for assuring the availability of basic health care to jobless Americans and their families.

The United States is currently experiencing the most severe and extended economic crisis since the Great Depression in the 1930's. Since 1981, we have witnessed an explosion in the unemployment rate to nearly 11 percent, with forecasts that unemployment will remain above 10 percent well into 1984. Nearly 12 million Americans are now without jobs, and millions more have either become too discouraged to even look for work or have taken part-time employment simply in order to make ends meet. The threat of losing one's job has become pervasive in America today, touching nearly every age group, type of job, and region of the country.

One of the most disturbing effects of this devastating level of unemployment has been the dramatic impact on the health and well-being of our citizens. Recent studies have indicated a powerful and direct connection between unemployment and mental and physical health. Statistics compiled by Johns Hopkins University Professor Harvey Brenner in my own State of Maryland have attempted to quantify the impact of increases in unemployment on emotional and physical health and suggest that such rises are paralleled by a jump in such indicators of severe stress as suicide, cardiovascular diseases, and admissions to mental hospitals and prisons.

These conclusions have been supported by the experience of the current recession. Public hospitals and mental health clinics have seen their caseloads increase dramatically; there have been reports of increased incidents of spouse and child abuse, and alcoholism and drug abuse programs have been in greater demand. In some areas of the country where the recession and unemployment have hit hardest, there has also been an ominous increase in infant and child mortality rates.

In the face of this urgent need for health care, social services, and counseling, fewer and fewer resources are available to unemployed workers. The Congressional Budget Office has estimated that nearly 11 million workers also lost their health insurance when they lost their jobs in 1982 alone. In addition, for each unemployed worker who lost coverage, on the average at least one child or spouse covered under the same policy also lost protection. Thus, the total number of Americans who lost their health insurance may be as high as 25 million.

Employment-based health insurance is the primary source of coverage for our citizens and is not easily replaced for unemployed workers. Most do not qualify for Federal health care programs such as medicare or medicaid. The cost to them of a private health care plan is generally prohibitive, as premiums can easily equal one-fourth of a worker's unemployment insurance benefits. Moreover, only 40 percent of the unemployed are now eligible to receive unemployment compensation and, despite numerous extensions by Congress, many have exhausted what benefits are available to them. Left without health insurance, unemployed workers and their families often postpone or neglect altogether needed and essential health care.

The current situation has placed unbearable strains on workers, their families, communities, and health care providers. The willingness of public health hospitals, clinics, and many doctors to treat unemployed workers at reduced or no cost is to be commended. States such as Maryland have also provided additional resources for public health care programs and have sought to enact their own health care protections for unemployed workers.

The depth and breadth of the recession, however, has overwhelmed the efforts of local communities to cope with the current crisis. The combination of budget cuts enacted over the past 2 years and the flood of increased demand for emergency services has stretched existing facilities to the limit.

As one who has consistently supported measures in Congress designed to insure that adequate and affordable health care is available to all Americans, I believe it is imperative that the plight of the unemployed be addressed. I therefore urge my colleagues to join with me in supporting the amendment pending before the Senate. This measure places special emphasis on primary and preventive health care to permit unemployed workers and their families to contin' ^ good, cost-effective health care practices and also provides aid to public health care facilities to allow them to continue their invaluable services to uninsured Americans. The time has come for the Federal Government to do its share in protecting the health and well-being of our jobless workers. The consequences of failing to do so, and the long-term cost to our citizens and the quality of life we have worked so hard to create in this country, are indeed frightening.

(Mr. TRIBLE assumed the chair.)

Mr. KENNEDY. Mr. President, I ask for the yeas and nays.

Mr. DOLE. On both amendments?

Mr. KENNEDY. On the substitute.

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

The yeas and nays were ordered.

Mr. KENNEDY. Mr. President, I am prepared to yield back the remainder of my time.

Mr. DOMENICI. Mr. President, have the yeas and nays been ordered on this Dole amendment?

The PRESIDING OFFICER. They have not.

Mr. DOMENICI. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there objection to ordering the yeas and nays? Without objection, it is so ordered.

Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. DOMENICI. Mr. President, I yield back any time that we have remaining on this side in opposition to the Kennedy amendment.

Mr. KENNEDY. Mr. President, I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts (Mr. KENNEDY). The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Connecticut (Mr. DODD) is necessarily absent.

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

The result was announced—yeas 36, nays 63, as follows:

[Rollcall Vote No. 72 Leg.]

YEAS—36

Baucus	Ford	Matsunaga
Bentsen	Glenn	Melcher
Biden	Hart	Metzenbaum
Bingaman	Heflin	Mitchell
Boren	Hollings	Moynihan
Bradley	Huddleston	Pell
Bumpers	Inouye	Randolph
Burdick	Jackson	Riegle
Byrd	Kennedy	Sarbanes
Cranston	Lautenberg	Sasser
Dixon	Leahy	Specter
Eagleton	Levin	Tsongas

NAYS—63

Abdnor	Grassley	Packwood
Andrews	Hatch	Percy
Armstrong	Hatfield	Pressler
Baker	Hawkins	Proxmire
Boschwitz	Hecht	Pryor
Chafee	Heinz	Quayle
Chiles	Helms	Roth
Cochran	Humphrey	Rudman
Cohen	Jepsen	Simpson
D'Amato	Johnston	Stafford
Danforth	Kassebaum	Stennis
DeConcini	Kasten	Stevens
Denton	Laxalt	Symms
Dole	Long	Thurmond
Domenici	Lugar	Tower
Durenberger	Mathias	Trible
East	Mattingly	Wallop
Exon	McClure	Warner
Garn	Murkowski	Weicker
Goldwater	Nickles	Wilson
Gorton	Nunn	Zorinsky

NOT VOTING—1

Dodd

So the amendment (No. 1236) was rejected.

Mr. DOLE. Mr. President, I move to reconsider the vote.

I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1235

The PRESIDING OFFICER. The question is now on agreeing to the amendment (No. 1235) as modified, of the Senator from Kansas. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Connecticut (Mr. DODD) is necessarily absent.

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

The result was announced—yeas 90, nays 9—as follows:

[Rollcall Vote No. 73 Leg.]

YEAS—90

Abdnor	Boschwitz	Cohen
Andrews	Bradley	Cranston
Baker	Bumpers	D'Amato
Baucus	Burdick	Danforth
Bentsen	Byrd	DeConcini
Biden	Chafee	Dixon
Bingaman	Chiles	Dole
Boren	Cochran	Domenici
Durenberger	Kassebaum	Proxmire
Eagleton	Kasten	Pryor
Exon	Kennedy	Quayle
Ford	Lautenberg	Randolph
Garn	Laxalt	Riegle
Glenn	Leahy	Roth
Goldwater	Levin	Rudman
Gorton	Long	Sarbanes
Grassley	Lugar	Sasser
Hart	Mathias	Simpson
Hatch	Matsunaga	Specter
Hatfield	Mattingly	Stafford
Hawkins	Melcher	Stennis
Hecht	Metzenbaum	Stevens
Heflin	Mitchell	Thurmond
Heinz	Moynihan	Tower
Hollings	Murkowski	Trible
Huddleston	Nunn	Tsongas
Inouye	Packwood	Warner
Jackson	Pell	Weicker
Jepsen	Percy	Wilson
Johnston	Pressler	Zorinsky

NAYS—9

Armstrong	Helms	Nickles
Denton	Humphrey	Symms
East	McClure	Wallop

NOT VOTING—1

Dodd

So the amendment (No. 1235), as modified, was agreed to.

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

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

The motion to lay on the table was agreed to.

● Mr. MATTINGLY. Mr. President, I voted in support of the amendment offered by the Senator from Kansas because I recognize there is a problem out there. A problem that needs our attention now. I also recognize that the problem does not require the establishment of a major new program.

There are a number of Americans today that have lost protection against the costs of health care for themselves and their families. They lost that protection because they lost their jobs and the health insurance provided through their employer. That situation is getting better. The economy is in a recovery and more and more Americans are going back to work. But we need to provide a helping hand to those workers who are still unemployed.

For that reason, I voted for the Dole amendment. It not only allows us to provide the relief needed, but it does so without increasing the deficit. I believe the Finance Committee can and should fashion a program which provides temporary relief without creating a large entitlement program while raising the revenues needed to pay for that relief.●

The PRESIDING OFFICER (Mrs. HAWKINS). The Senator from New Mexico is recognized.

Mr. DOMENICI. Madam President, as I understand our sequence it will now bring Senator HOLLINGS to the floor with his educational amendment.

Is the Senator ready?

Mr. HOLLINGS. Yes.

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

AMENDMENT NO. 1237

(Purpose: To increase funding for education, training, employment, and social services)

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

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from South Carolina (Mr. HOLLINGS), for himself, Mr. STAFFORD, Mr. BRADLEY, Mr. PELL, Mr. ANDREWS, Mr. SASSER, Mr. KENNEDY, Mr. BIDEN, Mr. SARBANES, Mr. TSONGAS, Mr. BINGAMAN, Mr. METZENBAUM, Mr. BURDICK, Mr. MATSUNAGA, Mr. RIEGLE, Mr. DODD, Mr. EAGLETON, Mr. HUDDLESTON, Mr. GLENN, Mr. D'AMATO, Mr. CRANSTON, Mr. MOYNIHAN, Mr. HART, Mr. RANDOLPH, Mr. JACKSON, and Mr. SPECTER, proposes an amendment numbered 1237.

Mr. HOLLINGS. Madam 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 3, beginning with line 10, strike out through line 23 on page 16 and insert in lieu thereof the following:

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1983: $875,925,000,000.
Fiscal year 1984: $911,200,000,000.
Fiscal year 1985: $983,966,000,000.
Fiscal year 1986: $1,050,387,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1983: $807,325,000,000.
Fiscal year 1984: $850,055,000,000.
Fiscal year 1985: $911,833,000,000.
Fiscal year 1986: $965,797,000,000.

(4) The amounts of the deficits in the budget which are appropriate in the light of economic conditions and all other relevant factors are as follows:

Fiscal year 1983: $204,225,000,000.
Fiscal year 1984: $164,455,000,000.
Fiscal year 1985: $149,233,000,000.
Fiscal year 1986: $134,997,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1983: $1,384,125,000,000.
Fiscal year 1984: $1,592,355,000,000.
Fiscal year 1985: $1,792,663,000,000.
Fiscal year 1986: $1,985,023,000,000.

and the amounts by which the temporary statutory limits on such debt should be accordingly increased are as follows:

Fiscal year 1983: $93,925,000,000.
Fiscal year 1984: $208,580,000,000.
Fiscal year 1985: $201,313,000,000.
Fiscal year 1986: $194,410,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1982, October 1, 1983, October 1, 1984, and October 1, 1985, are as follows:

Fiscal year 1983:
(A) New direct loan obligations, $55,400,000,000.
(B) New loan guarantee commitments, $94,500,000,000.
Fiscal year 1984:
(A) New direct loan obligations, $48,200,000,000.
(B) New loan guarantee commitments, $94,500,000,000.
Fiscal year 1985:
(A) New direct loan obligations, $48,100,000,000.
(B) New loan guarantee commitments, $97,400,000,000.
Fiscal year 1986:
(A) New direct loan obligations, $48,700,000,000.
(B) New loan guarantee commitments, $101,000,000,000.

(b) The Congress hereby determines and declares the appropriate levels of budget authority and budget outlays, and the appropriate levels of new direct loan obligations and new loan guarantee commitments for fiscal years 1983 through 1986 for each major functional category are:

(1) National Defense (050):
Fiscal year 1983:
(A) New budget authority, $244,100,000,000.
(B) Outlays, $214,300,000,000.
(C) New direct loan obligations, $0.
(D) New loan guarantee commitments, $0.
Fiscal year 1984:
(A) New budget authority, $267,000,000,000.
(B) Outlays, $241,500,000,000.
(C) New direct loan obligations, $0.
(D) New loan guarantee commitments, $0.
Fiscal year 1985:
(A) New budget authority, $299,500,000,000.
(B) Outlays, $270,700,000,000.
(C) New direct loan obligations, $0.
(D) New loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $334,800,000,000.
(B) Outlays, $300,000,000,000.
(C) New direct loan obligations, $0.
(D) New loan guarantee commitments, $0.

(2) International Affairs (150):
Fiscal year 1983:
(A) New budget authority, $24,900,000,000.
(B) Outlays, $11,500,000,000.
(C) New direct loan obligations, $11,700,000,000.
(D) New loan quarantee commitments, $9,200,000,000.
Fiscal year 1984:
(A) New budget authority, $18,200,000,000.
(B) Outlays, $12,700,000,000.
(C) New direct loan obligations, $11,200,000,000.
(D) New loan guarantee commitments, $10,300,000,000.
Fiscal year 1985:
(A) New budget authority, $16,500,000,000.
(B) Outlays, $12,800,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New loan guarantee commitments, $10,300,000,00.
Fiscal year 1986:
(A) New budget authority, $15,900,000,000.
(B) Outlays, $12,800,000,000.
(C) New direct loan obligations, $11,600,000,000.
(D) New loan guarantee commitments, $10,300,000,000.

(3) General Science, Space, and Technology (250):
Fiscal year 1983:
(A) New budget authority, $7,900,000,000.
(B) Outlays, $7,700,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New loan guarantee commitments, $0.
Fiscal year 1984:
(A) New budget authority, $8,500,000,000.
(B) Outlays, $8,200,000,000.
(C) New direct loan obligations, $37,000,000.
(D) New loan guarantee commitments, $0.
Fiscal year 1985:
(A) New budget authority, $8,500,000,000.
(B) Outlays, $8,500,000,000.
(C) New direct loan obligations, $0.
(D) New loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $8,400,000,000.
(B) Outlays, $8,400,000,000.
(C) New direct loan obligations, $0.
(D) New loan guarantee commitments, $0.

(4) Energy (270):
Fiscal year 1983:
(A) New budget authority, $4,000,000,000.
(B) Outlays, $4,600,000,000.
(C) New direct loan obligations, $13,100,000,000.
(D) New loan guarantee commitments, $200,000,000.
Fiscal year 1984:
(A) New budget authority, $3,900,000,000.
(B) Outlays, $4,100,000,000.
(C) New direct loan obligations, $13,900,000,000.
(D) New loan guarantee commitments, $200,000,000.
Fiscal year 1985:
(A) New budget authority, $3,600,000,000.
(B) Outlays, $2,900,000,000.
(C) New direct loan obligations, $14,300,000,000.
(D) New loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $3,200,000,000.
(B) Outlays, $2,700,000,000.
(C) New direct loan obligations, $14,400,000,000.
(D) New loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):
Fiscal year 1983:
(A) New budget authority, $12,500,000,000.
(B) Outlays, $12,800,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New loan guarantee commitments, $0.
Fiscal year 1984:
(A) New budget authority, $12,000,000,000.
(B) Outlays $12,500,000,000.
(C) New direct loan obligations, $27,000,000.
(D) New loan guarantee commitments, $0.
Fiscal year 1985:
(A) New budget authority, $12,200,000,000.
(B) Outlays $12,600,000,000.
(C) New direct loan obligations, $27,000,000.
(D) New loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $12,500,000,000.
(B) Outlays $12,200,000,000.
(C) New direct loan obligations, $27,000,000.
(D) New loan guarantee commitments, $0.

(6) Agriculture (350):
Fiscal year 1983:
(A) New budget authority, $24,200,000,000.
(B) Outlays $24,000,000,000.
(C) New direct loan obligations, $18,600,000,000.
(D) New loan guarantee commitments, $5,500,000,000.
Fiscal year 1984:
(A) New budget authority, $11,600,000,000.
(B) Outlays $11,400,000,000.
(C) New direct loan obligations, $12,100,000,000.
(D) New loan guarantee commitments, $3,800,000,000.
Fiscal year 1985:
(A) New budget authority, $14,000,000,000.
(B) Outlays $12,300,000,000.

(C) New direct loan obligations, $11,700,000,000.
(D) New loan guarantee commitments, $3,800,000,000.
Fiscal year 1986:
(A) New budget authority, $13,200,000,000.
(B) Outlays, $13,100,000,000.
(C) New direct loan obligations, $12,200,000,000.
(D) New loan guarantee commitments, $3,800,000,000.
(7) Commerce and Housing Credit (370):
Fiscal year 1983:
(A) New budget authority, $5,200,000,000.
(B) Outlays, $2,700,000,000.
(C) New direct loan obligations, $6,500,000,000.
(D) New loan guarantee commitments, $48,700,000,000.
Fiscal year 1984:
(A) New budget authority, $5,900,000,000.
(B) Outlays, $1,800,000,000.
(C) New direct loan obligations, $6,400,000,000.
(D) New loan guarantee commitments, $48,700,000,000.
Fiscal year 1985:
(A) New budget authority, $6,500,000,000.
(B) Outlays, $0.
(C) New direct loan obligations, $6,300,000,000.
(D) New loan guarantee commitments, $48,700,000,000.
Fiscal year 1986:
(A) New budget authority, $6,500,000,000.
(B) Outlays, −$300,000,000.
(C) New direct loan obligations, $6,300,000,000.
(D) New loan guarantee commitments, $48,700,000,000.
(8) Transportation (400):
Fiscal year 1983:
(A) New budget authority, $26,800,000,000.
(B) Outlays, $22,100,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New loan guarantee commitments, $1,100,000,000.
Fiscal year 1984:
(A) New budget authority, $27,700,000,000.
(B) Outlays, $25,900,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New loan guarantee commitments, $600,000,000.
Fiscal year 1985:
(A) New budget authority, $28.400,000,000.
(B) Outlays, $26,900,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New loan guarantee commitments, $400,000,000.
Fiscal year 1986:
(A) New budget authority, $29,200,000,000.
(B) Outlays, $27,800,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New loan guarantee commitments, $300,000,000.
(9) Community and Regional Development (450):
Fiscal year 1983:
(A) New budget authority, $8,300,000,000.
(B) Outlays, $7,900,000,000.
(C) New direct loan obligations, $2,100,000,000.
(D) New loan guarantee commitments, $500,000,000.
Fiscal year 1984:
(A) New budget authority, $6,600,000,000.
(B) Outlays, $8,100,000,000.
(C) New direct loan obligations, $1,700,000,000.
(D) New loan guarantee commitments, $300,000,000.
Fiscal year 1985:
(A) New budget authority, $7,100,000,000.
(B) Outlays, $8,200,000,000.
(C) New direct loan obligations, $1,800,000,000.
(D) New loan guarantee commitments, $300,000,000.
Fiscal year 1986:
(A) New budget authority, $7,100,000,000.
(B) Outlays, $7,600,000,000.
(C) New direct loan obligations, $1,800,000,000.
(D) New loan guarantee commitments, $400,000,000.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1983:
(A) New budget authority, $28,000,000,000.
(B) Outlays, $26,800,000,000.
(C) New direct loan obligations, $600,000,000.
(D) New loan guarantee commitments, $6,500,000,000.
Fiscal year 1984:
(A) New budget authority, $32,300,000,000.
(B) Outlays, $27,255,000,000.
(C) New direct loan obligations, $700,000,000.
(D) New loan guarantee commitments, $6,600,000,000.
Fiscal year 1985:
(A) New budget authority, $29,291,000,000.
(B) Outlays, $28,958,000,000.
(C) New direct loan obligations, $700,000,000.
(D) New loan guarantee commitments, $6,600,000,000.
Fiscal year 1986:
(A) New budget authority, $29,387,000,000.
(B) Outlays, $29,197,000,000.
(C) New direct loan obligations, $800,000,000.
(D) New loan guarantee commitments, $6,600,000,000.

Mr. HOLLINGS. Madam President, I thank the Chair.

Madam President, the cosponsors of this amendment are our distinguished chairman of the Education Committee, Senator STAFFORD, plus other colleagues, Mr. BRADLEY, Mr. PELL, Mr. ANDREWS, Mr. SASSER, Mr. KENNEDY, Mr. BIDEN, Mr. SARBANES, Mr. TSONGAS, Mr. BINGAMAN, Mr. METZENBAUM, Mr. BURDICK, Mr. MATSUNAGA, Mr. RIEGLE, Mr. DODD, Mr. EAGLETON, Mr. HUDDLESTON, Mr. GLENN, Mr. D'AMATO, Mr. CRANSTON, Mr. MOYNIHAN, Mr. HART, Mr. RANDOLPH, Mr. JACKSON, and Mr. SPECTER.

Madam President, the amendment is a well-considered amendment and more or less a compromise for the needs of education, as is indicated by the broad spectrum of cosponsorship.

In this hour of educational crisis, where there was just published at the White House and the Department of Education a report entitled "A Nation at Risk," we wish to return, of course, to the current policy figures but if we had returned to our current policy level adjusted for inflation we would have gone up to $22.1 billion under this particular budget resolution.

That would have been unrealistic under the particular circumstances. However, any lower figure that would be submitted at this time in our judgment would be unrealistic. We tried to halve the current policy approach, then we brought it down again. We talked with the different Senators, and we all, including this Senator, of course, were hoping to hold the line. I not only had submitted a proposal yesterday for a freeze on spending increases and I joined with Senator NUNN, Senator JOHNSTON on their particular amendment, and Senator EXON, and Senator BOREN, and others, and now since there is very little support for a freeze concept in the U.S. Senate the question evolves as to the priorities themselves.

With respect to those particular priorities, there is no question, Madam President, that education is standing right at the top, in my judgment, even ahead of defense. Because in the last 3 years we have infused $101 billion into the national defense effort. But we have been cutting and reducing in current policy our effort in education, be it elementary and secondary, the new math and science programs, higher education or the other educational spending programs.

I need, at this particular time, Madam President, no real survey to understand and appreciate the crisis. All you have to do is to have been a Governor and realize that the highest rate of dropouts that occur in your State, greater than anywhere else, is from the disadvantaged in the high schools. You look at that particular problem, wrestle with it, and you realize there may be a chance under the Elementary and Secondary Education Act and title I for the disadvantaged. Only last year were we able to obtain the results of this particular program which began some 16 years ago. We learned, Madam President, whereby 93 percent were dropping out when I was in office, now under this farsighted program in education, this magnificent investment, 87 percent of that particular group complete the high school course. Now we know what the investment means in actual savings when we look at a budget.

There are many, many programs, health programs like women's, infants', and children's feeding, where at one time our friend Dave Stockman came up and wanted to cut some $500 million and we tried to explain to him that in cutting the $500 million he was not saving $500 million. He was actually increasing infant care, rehabilitation, health, and other costs some $5 billion. It was not a $500 million savings, it constituted in essence a $5 billion add on.

Similarly, in education, when we are talking about balancing budgets and investing in the infrastructure of this land, first and foremost is our human infrastructure as evidenced by the wonderful report here by the National Commission on the Excellence in Education. This task force on education

having just submitted its particular report, and the report itself, not necessarily all the accompaniments with it, I ask unanimous consent this report be included in the RECORD.

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

AN OPEN LETTER TO THE AMERICAN PEOPLE—A NATION AT RISK: THE IMPERATIVE FOR EDUCATIONAL REFORM

(A Report to the Nation and the Secretary of Education, United States Department of Education, by The National Commission on Excellence in Education, April 1983)

LETTER OF TRANSMITTAL

APRIL 26, 1983.

Hon. T. H. BELL,
Secretary of Education,
U.S. Department of Education,
Washington, D.C.

DEAR MR. SECRETARY: On August 26, 1981, you created the National Commission on Excellence in Education and directed it to present a report on the quality of education in America to you and to the American people by April of 1983.

It has been my privilege to chair this endeavor and on behalf of the members of the Commission it is my pleasure to transmit this report, A Nation at Risk: The Imperative for Educational Reform.

Our purpose has been to help define the problems afflicting American education and to provide solutions, not search for scapegoats. We addressed the main issues as we saw them, but have not attempted to treat the subordinate matters in any detail. We were forthright in our discussions and have been candid in our report regarding both the strengths and weaknesses of American education.

The Commission deeply believes that the problems we have discerned in American education can be both understood and corrected if the people of our country, together with those who have public responsibility in the matter, care enough and are courageous enough to do what is required.

Each member of the Commission appreciates your leadership in having asked this diverse group of persons to examine one of the central issues which will define our Nation's future. We especially welcomed your confidence throughout the course of our deliberations and your anticipation of a report free of political partisanship.

It is our collective and earnest hope that you will continue to provide leadership in this effort by assuring wide dissemination and full discussion of this report, and by encouraging appropriate action throughout the country. We believe that materials compiled by the Commission in the course of its work constitute a major resource for all persons interested in American education.

The other Commissioners and I sincerely appreciate the opportunity to have served our country as members of the National Commission on Excellence in Education, and on their behalf I remain,

Respectfully,

DAVID PIERPONT GARDNER,
Chairman.

MEMBERS OF THE NATIONAL COMMISSION ON EXCELLENCE IN EDUCATION

David P. Gardner (Chair), President, University of Utah and President-Elect, University of California, Salt Lake City, Utah.

Yvonne W. Larsen (Vice-Chair), Immediate Past-President, San Diego City School Board, San Diego, California.

William O. Baker, Chairman of the Board (Retired), Bell Telephone Laboratories, Murray Hill, New Jersey.

Anne Campbell, Former Commissioner of Education, State of Nebraska, Lincoln, Nebraska.

Emeral A. Crosby, Principal, Northern High School, Detroit, Michigan.

Charles A. Foster, Jr., Immediate Past-President, Foundation for Teaching Economics, San Francisco, California.

Norman C. Francis, President, Xavier University of Louisiana, New Orleans, Louisiana.

A. Bartlett Giamatti, President, Yale University, New Haven, Connecticut.

Shirley Gordon, President, Highline Community College, Midway, Washington.

Robert V. Haderlein, Immediate Past-President, National School Boards Association, Girard, Kansas.

Gerald Holton, Mallinckrodt Professor of Physics and Professor of the History of Science, Harvard University, Cambridge, Massachusetts.

Annette Y. Kirk, Kirk Associates, Mecosta, Michigan.

Margaret S. Marston, Member, Virginia State Board of Education, Arlington, Virginia.

Albert H. Quie, Former Governor, State of Minnesota, St. Paul, Minnesota.

Francisco D. Sanchez, Jr., Superintendent of Schools, Albuquerque Public Schools, Albuquerque, New Mexico.

Glenn T. Seaborg, University Professor of Chemistry and Nobel Laureate, University of California, Berkeley, California.

Jay Sommer, National Teacher of the Year, 1981-82, Foreign Language Department, New Rochelle High School, New Rochelle, New York.

Richard Wallace, Principal, Lutheran High School East, Cleveland Heights, Ohio.

INTRODUCTION

Secretary of Education T. H. Bell created the National Commission on Excellence in Education on August 26, 1981, directing it to examine the quality of education in the United States and to make a report to the Nation and to him within 18 months of its first meeting. In accordance with the Secretary's instructions, this report contains practical recommendations for educational improvement and fulfills the Commission's responsibilities under the terms of its charter.

The Commission was created as a result of the Secretary's concern about "the widespread public perception that something is seriously remiss in our educational system." Soliciting the "support of all who care about our future," the Secretary noted that he was establishing the Commission based on his "responsibility to provide leadership, constructive criticism, and effective assistance to schools and universities."

The Commission's charter contained several specific charges to which we have given particular attention. These included:

Assessing the quality of teaching and learning in our Nation's public and private schools, colleges, and universities;

Comparing American schools and colleges with those of other advanced nations;

Studying the relationship between college admissions requirements and student achievement in high school;

Identifying educational programs which result in notable student success in college;

Assessing the degree to which major social and educational changes in the last quarter century have affected student achievement; and

Defining problems which must be faced and overcome if we are successfully to pursue the course of excellence in education.

The Commission's charter directed it to pay particular attention to teenage youth, and we have done so largely by focusing on high schools. Selective attention was given to the formative years spent in elementary schools, to higher education, and to vocational and technical programs. We refer those interested in the need for similar reform in higher education to the recent report of the American Council on Education, "To Strengthen the Quality of Higher Education."

In going about its work the Commission has relied in the main upon five sources of information:

Papers commissioned from experts on a variety of educational issues;

Administrators, teachers, students, representatives of professional and public groups, parents, business leaders, public officials, and scholars who testified at eight meetings of the full Commission, six public hearings, two panel discussions, a symposium, and a series of meetings organized by the Department of Education's Regional Offices;

Existing analyses of problems in education;

Letters from concerned citizens, teachers, and administrators who volunteered extensive comments on problems and possibilities in American education; and

Descriptions of notable program and promising approaches in education.

To these public-minded citizens who took the trouble to share their concerns with us—frequently at their own expense in time, money, and effort—we extend our thanks. In all cases, we have benefited from their advice and taken their views into account; how we have treated their suggestions is, of course, our responsibility alone. In addition, we are grateful to the individuals in schools, universities, foundations, business, government, and communities throughout the United States who provided the facilities and staff so necessary to the success of our many public functions.

The Commission was impressed during the course of its activities by the diversity of opinion it received regarding the condition of American education and by conflicting views about what should be done. In many ways, the membership of the Commission itself reflected that diversity and difference of opinion during the course of its work. This report, nevertheless, gives evidence that men and women of good will can agree on common goals and on ways to pursue them.

The Commission's charter, the authors and topics of commissioned papers, a list of the public events, and a roster of the Commission's staff are included in the appendices which complete this volume.

A NATION AT RISK

Our Nation is at risk. Our once unchallenged preeminence in commerce, industry, science, and technological innovation is being overtaken by competitors throughout the world. This report is concerned with only one of the many causes and dimensions of the problem, but it is the one that undergirds American prosperity, security, and civility. We report to the American people that while we can take justifiable pride in

what our schools and colleges have historically accomplished and contributed to the United States and the well-being of its people, the educational foundations of our society are presently being eroded by a rising tide of mediocrity that threatens our very future as a Nation and a people. What was unimaginable a generation ago has begun to occur—others are matching and surpassing our educational attainments.

If an unfriendly foreign power had attempted to impose on America the mediocre educational performance that exists today, we might well have viewed it as an act of war. As it stands, we have allowed this to happen to ourselves. We have even squandered the gains in student achievement made in the wake of the Sputnik challenge. Moreover, we have dismantled essential support systems which helped make those gains possible. We have, in effect, been committing an act of unthinking, unilateral educational disarmament.

Our society and its educational institutions seem to have lost sight of the basic purposes of schooling, and of the high expectations and disciplined effort needed to attain them. This report, the result of 18 months of study, seeks to generate reform of our educational system in fundamental ways and to renew the Nation's commitment to schools and colleges of high quality throughout the length and breadth of our land.

That we have compromised this commitment is, upon reflection, hardly surprising, given the multitude of often conflicting demands we have placed on our Nation's schools and colleges. They are routinely called on to provide solutions to personal, social, and political problems that the home and other institutions either will not or cannot resolve. We must understand that these demands on our schools and colleges often exact an educational cost as well as a financial one.

On the occasion of the Commission's first meeting, President Reagan noted the central importance of education in American life when he said: "Certainly there are few areas of American life as important to our society, to our people, and to our families as our schools and colleges." This report, therefore, is as much an open letter to the American people as it is a report to the Secretary of Education. We are confident that the American people, properly informed, will do what is right for their children and for the generations to come.

The risk

History is not kind to idlers. The time is long past when America's destiny was assured simply by an abundance of natural resources and inexhaustible human enthusiasm, and by our relative isolation from the malignant problems of older civilizations. The world is indeed one global village. We live among determined, well-educated, and strongly motivated competitors. We compete with them for international standing and markets, not only with products but also with the ideas of our laboratories and neighborhood workshops. America's position in the world may once have been reasonably secure with only a few exceptionally well-trained men and women. It is no longer.

The risk is not only that the Japanese make automobiles more efficiently than Americans and have government subsidies for development and export. It is not just that the South Koreans recently built the world's most efficient steel mill, or that American machine tools, once the pride of the world, are being displaced by German products. It is also that these developments signify a redistribution of trained capability throughout the globe. Knowledge, learning, information, and skilled intelligence are the new raw materials of international commerce and are today spreading throughout the world as vigorously as miracle drugs, synthetic fertilizers, and blue jeans did earlier. If only to keep and improve on the slim competitive edge we still retain in world markets, we must dedicate ourselves to the reform of our educational system for the benefit of all—old and young alike, affluent and poor, majority and minority. Learning is the indispensable investment required for success in the "information age" we are entering.

Our concern, however, goes well beyond matters such as industry and commerce. It also includes the intellectual, moral, and spiritual strengths of our people which knit together the very fabric of our society. The people of the United States need to know that individuals in our society who do not possess the levels of skill, literacy, and training essential to this new era will be effectively disenfranchised, not simply from the material rewards that accompany competent performance, but also from the chance to participate fully in our national life. A high level of shared education is essential to a free, democratic society and to the fostering of a common culture, especially in a country that prides itself on pluralism and individual freedom.

For our country to function, citizens must be able to reach some common understandings on complex issues, often on short notice and on the basis of conflicting or incomplete evidence. Education helps form these common understandings, a point Thomas Jefferson made long ago in his justly famous dictum:

"I know no safe depository of the ultimate powers of the society but the people themselves; and if we think them not enlightened enough to exercise their control with a wholesome discretion, the remedy is not to take it from them but to inform their discretion."

Part of what is at risk is the promise first made on this continent: All, regardless of race or class or economic status, are entitled to a fair chance and to the tools for developing their individual power of mind and spirit to the utmost. This promise means that all children by virtue of their own efforts, competently guided, can hope to attain the mature and informed judgment needed to secure gainful employment and to manage their own lives, thereby serving not only their own interests but also the progress of society itself.

Indicators of the risk

The educational dimensions of the risk before us have been amply documented in testimony received by the Commission. For example:

International comparisons of student achievement, completed a decade ago, reveal that on 19 academic tests American students were never first or second and, in comparison with other industrialized nations, were last seven times.

Some 23 million American adults are functionally illiterate by the simplest tests of everyday reading, writing, and comprehension.

About 13 percent of all 17-year-olds in the United States can be considered functionally illiterate. Functional illiteracy among minority youth may run as high as 40 percent.

Average achievement of high school students on most standardized tests is now lower than 26 years ago when Sputnik was launched.

Over half the population of gifted students do not match their tested ability with comparable achievement in school.

The College Board's Scholastic Aptitude Test (SAT) demonstrate a virtually unbroken decline from 1963 to 1980. Average verbal scores fell over 50 points and average mathmatics scores dropped nearly 40 points.

College Board achievement tests also reveal consistent declines in recent years in such subjects as physics and English.

Both the number and proportion of students demonstrating superior achievement on the SATs (i.e., those with scores of 650 or higher) have also dramatically declined.

Many 17-year-olds do not possess the "higher order" intellectual skills we should expect of them. Nearly 40 percent cannot draw inferences from written material; only one-fifth can write a persuasive essay; and only one-third can solve a mathematics problem requiring several steps.

There was a steady decline in science achievement scores of U.S. 17-year-olds as measured by national assessments of science in 1969, 1973, and 1977.

Between 1975 and 1980, remedial mathematics courses in public 4-year colleges increased by 72 percent and now constitute one-quarter of all mathematics courses not taught in those institutions.

Average tested achievement of students graduating from college is also lower.

Business and military leaders complain that they are required to spend millions of dollars on costly remedial education and training programs in such basic skills as reading, writing, spelling, and computation. The Department of the Navy, for example, reported to the Commission that one-quarter of its recent recruits cannot read at the ninth grade level, the minimum needed simply to understand written safety instructions. Without remedial work they cannot even begin, much less complete, the sophisticated training essential in much of the modern military.

These deficiencies come at a time when the demand for highly skilled workers in new fields is accelerating rapidly. For example:

Computers and computer-controlled equipment are penetrating every aspect of our lives—homes, factories, and offices.

One estimate indicates that by the turn of the century millions of jobs will involve laser technology and robotics.

Technology is radically transforming a host of other occupations. They include health care, medical science, energy production, food processing, construction, and the building, repair, and maintenance of sophisticated scientific, educational, military, and industrial equipment.

Analysts examining these indicators of student performance and the demands for new skills have made some chilling observations. Educational researcher Paul Hurd concluded at the end of a thorough national survey of student achievement that within the context of the modern scientific revolution, "We are raising a new generation of Americans that is scientifically and technologically illiterate." In a similar vein, John Slaughter, a former Director of the National Science Foundation, warned of "a growing chasm between a small scientific and technological elite and a citizenry ill-informed, indeed uninformed, on issues with a science component."

But the problem does not stop there, nor do all observers see it the same way. Some

worry that schools may emphasize such rudiments as reading and computation at the expense of other essential skills such as comprehension, analysis, solving problems, and drawing conclusions. Still others are concerned that an over-emphasis on technical and occupational skills will leave little time for studying the arts and humanities that so enrich daily life, help maintain civility, and develop a sense of community. Knowledge of the humanities, they maintain, must be harnessed to science and technology if the latter are to remain creative and humane, just as the humanities need to be informed by science and technology if they are to remain relevant to the human condition. Another analyst, Paul Copperman, has drawn a sobering conclusion. Until now, he has noted:

"Each generation of Americans has outstripped its parents in education, in literacy, and in economic attainment. For the first time in the history of our country, the educational skills of one generation will not surpass, will not equal, will not even approach, those of their parents."

It is important, of course, to recognize the the average citizen today is better educated and more knowledgeable than the average citizen of a generation ago—more literate, and exposed to more mathematics, literature, and science. The positive impact of this fact on the well-being of our country and the lives of our people cannot be overstated. Nevertheless, the average graduate of our schools and colleges today is not as well-educated as the average graduate of 25 or 35 years ago, when a much smaller proportion of our population completed high school and college. The negative impact of this fact likewise cannot be overstated.

Hope and frustration

Statistics and their interpretation by experts show only the surface dimension of the difficulties we face. Beneath them lies a tension between hope and frustration that characterizes current attitudes about education at every level.

We have heard the voices of high school and college students, school board members, and teachers; of leaders of industry, minority groups, and higher education; of parents and State officials. We could hear the hope evident in their commitment to quality education and in their descriptions of outstanding programs and schools. We could also hear the intensity of their frustration, a growing impatience with shoddiness in many walks of American life, and the complaint that this shoddiness is too often reflected in our schools and colleges. Their frustration threatens to overwhelm their hope.

What lies behind this emerging national sense of frustration can be described as both a dimming of personal expectations and the fear of losing a shared vision for America.

On the personal level the student, the parent, and the caring teacher all perceive that a basic promise is not being kept. More and more young people emerge from high school ready neither for college nor for work. This predicament becomes more acute as the knowledge base continues its rapid expansion, the number of traditional jobs shrinks, and new jobs demand greater sophistication and preparation.

On a broader scale, we sense that this undertone of frustration has significant political implications, for it cuts across ages, generations, races, and political and economic groups. We have come to understand that the public will demand that educational and political leaders act forcefully and effectively on these issues. Indeed, such demands have already appeared and could well become a unifying national preoccupation. This unity, however, can be achieved only if we avoid the unproductive tendency of some to search for scapegoats among the victims, such as the beleaguered teachers.

On the positive side is the significant movement by political and educational leaders to search for solutions—so far centering largely on the nearly desperate need for increased support for the teaching of mathematics and science. This movement is but a start on what we believe is a larger and more educationally encompassing need to improve teaching and learning in fields such as English, history, geography, economics, and foreign languages. We believe this movement must be broadened and directed toward reform and excellence throughout education.

Excellence in education

We define "excellence" to mean several related things. At the level of the individual learner, it means performing on the boundary of individual ability in ways that test and push back personal limits, in school and in the workplace. Excellence characterizes a school or college that sets high expectations and goals for all learners, then tries in every way possible to help students reach them. Excellence characterizes a society that has adopted these policies, for it will then be prepared through the education and skill of its people to respond to the challenges of a rapidly changing world. Our Nation's people and its schools and colleges must be committed to achieving excellence in all these senses.

We do not believe that a public commitment to excellence and educational reform must be made at the expense of a strong public commitment to the equitable treatment of our diverse population. The twin goals of equity and high-quality schooling have profound and practical meaning for our economy and society, and we cannot permit one to yield to the other either in principle or in practice. To do so would deny young people their chance to learn and live according to their aspirations and abilities. It also would lead to a generalized accommodation to mediocrity in our society on the one hand or the creation of an undemocratic elitism on the other.

Our goal must be to develop the talents of all to their fullest. Attaining that goal requires that we expect and assist all students to work to the limits of their capabilities. We should expect schools to have genuinely high standards rather than minimum ones, and parents to support and encourage their children to make the most of their talents and abilities.

The search for solutions to our educational problems must also include a commitment to life-long learning. The task of rebuilding our system of learning is enormous and must be properly understood and taken seriously: Although a million and a half new workers enter the economy each year from our schools and colleges, the adults working today will still make up about 75 percent of the workforce in the year 2000. These workers, and new entrants into the workforce, will need further education and retraining if they—and we as a Nation—are to thrive and prosper.

The learning society

In a world of ever-accelerating competition and change in the conditions of the workplace, of ever-greater danger, and of ever-larger opportunities for those prepared to meet them, educational reform should focus on the goal of creating a Learning Society. At the heart of such a society is the commitment to a set of values and to a system of education that affords all members the opportunity to stretch their minds to full capacity, from early childhood through adulthood, learning more as the world itself changes. Such a society has as a basic foundation the idea that education is important not only because of what it contributes to one's career goals but also because of the value it adds to the general quality of one's life. Also at the heart of the Learning Society are educational opportunities extending far beyond the traditional institutions of learning, our schools and colleges. They extend into homes and workplaces; into libraries, art galleries, museums, and science centers; indeed, into every place where the individual can develop and mature in work and life. In our view, formal schooling in youth is the essential foundation for learning throughout one's life. But without life-long learning, one's skills will become rapidly dated.

In contrast to the ideal of the Learning Society, however, we find that for too many people education means doing the minimum work necessary for the moment, then coasting through life on what may have been learned in its first quarter. But this should not surprise us because we tend to express our educational standards and expectations largely in terms of "minimum requirements." And where there should be a coherent continuum of learning, we have none, but instead an often incoherent, outdated patchwork quilt. Many individual, sometimes heroic, examples of schools and colleges of great merit do exist. Our findings and testimony confirm the vitality of a number of notable schools and programs, but their very distinction stands out against a vast mass shaped by tensions and pressures that inhibit systematic academic and vocational achievement for the majority of students. In some metropolitan areas basic literacy has become the goal rather than the starting point. In some colleges maintaining enrollments is of greater day-to-day concern than maintaining rigorous academic standards. And the ideal of academic excellence as the primary goal of schooling seems to be fading across the board in American education.

Thus, we issue this call to all who care about America and its future: to parents and students; to teachers, administrators, and school board members; to colleges and industry; to union members and military leaders; to governors and State legislators; to the President; to members of Congress and other public officials; to members of learned and scientific societies; to the print and electronic media; to concerned citizens everywhere. America is at risk.

We are confident that America can address this risk. If the tasks we set forth are initiated now and our recommendations are fully realized over the next several years, we can expect reform of our Nation's schools, colleges, and universities. This would also reverse the current declining trend—a trend that stems more from weakness of purpose, confusion of vision, underuse of talent, and lack of leadership, than from conditions beyond our control.

The tools at hand

It is our conviction that the essential raw materials needed to reform our educational system are waiting to be mobilized through effective leadership:

The natural abilities of the young that cry out to be developed and the undiminished concern of parents for the well-being of their children;

The commitment of the Nation to high retention rates in schools and colleges and to full access to education for all;

The persistent and authentic American dream that superior performance can raise one's state in life and shape one's own future;

The dedication, against all odds, that keeps teachers serving in schools and colleges, even as the rewards diminish;

Our better understanding of learning and teaching and the implications of this knowledge for school practice, and the numerous examples of local success as a result of superior effort and effective dissemination;

The ingenuity of our policymakers, scientists, State and local educators, and scholars in formulating solutions once problems are better understood;

The traditional belief that paying for education is an investment in ever-renewable human resources that are more durable and flexible than capital plant and equipment, and the availablity in this country of sufficient financial means to invest in education;

The equally sound tradition, from the Northwest Ordinance of 1787 until today, that the Federal Government should supplement State, local, and other resources to foster key national educational goals; and

The voluntary efforts of individuals, businesses, and parent and civic groups to cooperate in strengthening educational programs.

These raw materials, combined with the unparalleled array of educational organizations in America, offer us the possibility to create a Learning Society, in which public, private, and parochial schools; colleges and universities; vocational and technical schools and institutes; libraries; science centers, museums, and other cultural institutions; and corporate training and retraining programs offer opportunities and choices for all to learn throughout life.

The public's commitment

Of all the tools at hand, the public's support for education is the most powerful. In a message to a National Academy of Sciences meeting in May 1982, President Reagan commented on this fact when he said:

"This public awareness—and I hope public action—is long overdue. . . . This country was built on American respect for education. . . . Our challenge now is to create a resurgence of that thirst for education that typifies our Nation's history."

The most recent (1982) Gallup Poll of the Public's Attitudes Toward the Public Schools strongly supported a theme heard during our hearings: People are steadfast in their belief that education is the major foundation for the future strength of this country. They even considered education more important than developing the best industrial system or the strongest military force, perhaps because they understood education as the cornerstone of both. They also held that education is "extremely important" to one's future success, and that public education should be the top priority for additional Federal funds. Education occupied first place among 12 funding categories considered in the survey—above health care, welfare, and military defense, with 55 percent selecting public education as one of their first three choices. Very clearly, the public understands the primary importance of education as the foundation for a satisfying life, and enlightened and civil society, a strong economy, and a secure Nation.

At the same time, the public has no patience with undemanding and superfluous high school offerings. In another survey, more than 75 percent of all those questioned believed every student planning to go to college should take 4 years of mathematics, English, history/U.S. government, and science, with more than 50 percent adding 2 years each of a foreign language and economics or business. The public even supports requiring much of this curriculum for students who do not plan to go to college. These standards far exceed the strictest high school graduation requirements of any State today, and they also exceed the admission standards of all but a handful of our most selective colleges and universities.

Another dimension of the public's support offers the prospect of constructive reform. The best term to characterize it may simply be the honorable word "patriotism." Citizens know intuitively what some of the best economists have shown in their research, that education is one of the chief engines of a society's material well-being. They know, too, that education is the common bond of a pluralistic society and helps tie us to other cultures around the globe. Citizens also know in their bones that the safety of the United States depends principally on the wit, skill, and spirit of a self-confident people, today and tomorrow. It is, therefore, essential—especially in a period of long-term decline in educational achievement—for government at all levels to affirm its responsibility for nurturing the Nation's intellectual capital.

And perhaps most important, citizens know and believe that the meaning of America to the rest of the world must be something better than it seems to many today. Americans like to think of this Nation as the preeminent country for generating the great ideas and material benefits for all mankind. The citizen is dismayed at a steady 15-year decline in industrial productivity, as one great American industry after another falls to world competition. The citizen wants the country to act on the belief, expressed in our hearings and by the large majority in the Gallup Poll, that education should be at the top of the Nation's agenda.

Findings

We conclude that declines in educational performance are in large part the result of disturbing inadequacies in the way the educational process itself is often conducted. The findings that follow, culled from a much more extensive list, reflect four important aspects, of the educational process: content, expectations, time, and teaching.

Findings Regarding Content

By content we mean the very "stuff" of education, the curriculum. Because of our concern about the curriculum, the Commission examined patterns of courses high school students took in 1964-69 compared with course patterns in 1976-81. On the basis of these analyses we conclude:

Secondary school curricula have been homogenized, diluted, and diffused to the point that they no longer have a central purpose. In effect, we have a cafeteria-style curriculum in which the appetizers and desserts can easily be mistaken for the main courses. Students have migrated from vocational and college preparatory programs to "general track" courses in large numbers. The proportion of students taking a general program of study has increased from 12 percent in 1964 to 42 percent in 1979.

This curricular smorgasbord, combined with extensive student choice, explains a great deal about where we find ourselves today. We offer intermediate algebra, but only 31 percent of our recent high school gradautes complete it; we offer French I, but only 13 percent complete it; and we offer geography, but only 16 percent complete it. Calculus is available in schools enrolling about 60 percent of all students, but only 6 percent of all students complete it.

Twenty-five percent of the credits earned by general track high school students are in physical and health education, work experience outside the school, remedial English and mathematics, and personal service and development courses, such as training for adulthood and marriage.

Findings Regarding Expectations

We define expectations in terms of the level of knowledge, abilities, and skills school and college graduates should possess. They also refer to the time, hard work, behavior, self-discipline, and motivation that are essential for high student achievement. Such expectations are expressed to students in several different ways:

By grades, which reflect the degree to which students demonstrate their mastery of subject matter;

Through high school and college graduation requirements, which tell students which subjects are most important;

By the presence or absence of rigorous examinations requiring students to demonstrate their mastery of content and skill before receiving a diploma or a degree;

By college admissions requirements, which reinforce high school standards; and

By the difficulty of the subject matter students confront in their texts and assigned reading.

Our analyses in each of these areas indicate notable deficiencies:

The amount of homework for high school seniors has decreased (two-thirds report less than 1 hour a night) and grades have risen as average student achievement has been declining.

In many other industrialized nations, courses in mathematics (other than arithmetic or general mathematics), biology, chemistry, physics, and geography start in grade 6 and are required of all students. The time spent on these subjects, based on class hours, is about three times that spent by even the most science-oriented U.S. students, i.e., those who select 4 years of science and mathematics in secondary school.

A 1980 State-by-State survey of high school diploma requirements reveals that only eight States require high schools to offer foreign language instruction, but none requires students to take the courses. Thirty-five States require only 1 year of mathematics, and 36 require only 1 year of science for a diploma.

In 13 States, 50 percent or more of the units required for high school graduation may be electives chosen by the student. Given this freedom to choose the substance of half or more of their education, many students opt for less demanding personal service courses, such as bachelor living.

"Minimum competency" examinations (now required in 37 States) fall short of what is needed, as the "minimum" tends to become the "maximum," thus lowering educational standards for all.

One-fifth of all 4-year public colleges in the United States must accept every high school graduate within the State regardless of program followed or grades, thereby serv-

ing notice to high school students that they can expect to attend college even if they do not follow a demanding course of study in high school or perform well.

About 23 percent of our more selective colleges and universities reported that their general level of selectivity declined during the 1970s, and 29 percent reported reducing the number of specific high school courses required for admission (usually by dropping foreign language requirements, which are now specified as a condition for admission by only one-fifth of our institutions of higher education).

Too few experienced teachers and scholars are involved in writing textbooks. During the past decade or so a large number of texts have been "written down" by their publishers to ever-lower reading levels in response to perceived market demands.

A recent study by Education Products Information Exchange revealed that a majority of students were able to master 80 percent of the material in some of their subject-matter texts before they had even opened the books. Many books do not challenge the students to whom they are assigned.

Expenditures for textbooks and other instructional materials have declined by 50 percent over the past 17 years. While some recommend a level of spending on texts of between 5 and 10 percent of the operating costs of schools, the budgets for basal texts and related materials have been dropping during the past decade and a half to only 0.7 percent today.

Findings Regarding Time

Evidence presented to the Commission demonstrates three disturbing facts about the uses that American schools and students make of time: (1) compared to other nations, American students spend much less time on school work; (2) time spent in the classroom and on homework is often used ineffectively; and (3) schools are not doing enough to help students develop either the study skills required to use time well or the willingness to spend more time on school work.

In England and other industrialized countries, it is not unusual for academic high school students to spend 8 hours a day at school, 220 days per year. In the United States, by contrast, the typical school day lasts 6 hours and the school year is 180 days.

In many schools, the time spent learning how to cook and drive counts as much toward a high school diploma as the time spent studying mathematics, English, chemistry, U.S. history, or biology.

A study of the school week in the United States found that some schools provided students only 17 hours of academic instruction during the week, and the average school provided about 22.

A California study of individual classrooms found that because of poor management of classroom time, some elementary students received only one-fifth of the instruction others received in reading comprehension.

In most schools, the teaching of study skills is haphazard and unplanned. Consequently, many students complete high school and enter college without disciplined and systematic study habits.

Findings Regarding Teaching

The Commission found that not enough of the academically able students are being attracted to teaching; that teacher preparation programs need substantial improvement; that the professional working life of teachers is on the whole unacceptable; and that a serious shortage of teachers exists in key fields.

Too many teachers are being drawn from the bottom quarter of graduating high school and college students.

The teacher preparation curriculum is weighted heavily with courses in "educational methods" at the expense of courses in subjects to be taught. A survey of 1,350 institutions training teachers indicated that 41 percent of the time of elementary school teacher candidates is spent in education courses, which reduces the amount of time available for subject matter courses.

The average salary after 12 years of teaching is on $17,000 per year, and many teachers are required to supplement their income with part-time and summer employment. In addition, individual teachers have little influence in such critical professional decisions as, for example, textbook selection.

Despite widespread publicity about an overpopulation of teachers, severe shortages of certain kinds of teachers exist: in the fields of mathematics, science, and foreign languages; and among specialists in education for gifted and talented, language minority, and handicapped students.

The shortage of teachers in mathematics and science is particularly severe. A 1981 survey of 45 States revealed shortages of mathematics teachers in 43 States, critical shortages of earth sciences teachers in 33 States, and of physics teachers everywhere.

Half of the newly employed mathematics, science, and English teachers are not qualified to teach these subjects; fewer than one-third of U.S. high schools offer physics taught by qualified teachers.

Recommendations

In light of the urgent need for improvement, both immediate and long term, this Commission has agreed on a set of recommendations that the American people can begin to act on now, that can be implemented over the next several years, and that promise lasting reform. The topics are familiar; there is little mystery about what we believe must be done. Many schools, districts, and States are already giving serious and constructive attention to these matters, even though their plans may differ from our recommendations in some details.

We wish to note that we refer to public, private, and parochial schools and colleges alike. All are valuable national resources. Examples of actions similar to those recommended below can be found in each of them.

We must emphasize that the variety of student aspirations, abilities, and preparation requires that appropriate content be available to satisfy diverse needs. Attention must be directed to both the nature of the content available and to the needs of particular learners. The most gifted students, for example, may need a curriculum enriched and accelerated beyond even the needs of other students of high ability. Similarly, educationally disadvantaged students may require special curriculum materials, smaller classes, or individual tutoring to help them master the material presented. Nevertheless, there remains a common expectation: We must demand the best effort and performance from all students, whether they are gifted or less able, affluent or disadvantaged, whether destined for college, the farm, or industry.

Our recommendations are based on the beliefs that everyone can learn, that everyone is born with an urge to learn which can be nutured, that a solid high school education is within the reach of virtually all, and that life-long learning will equip people with the skills required for new careers and for citizenship

Recommendation A: Content

We recommend that State and local high school graduation requirements be strengthened and that, at a minimum, all students seeking a diploma be required to lay the foundations in the Five New Basics by taking the following curriculum during their 4 years of high school: (a) 4 years of English; (b) 3 years of mathematics; (c) 3 years of science; (d) 3 years of social studies; and (e) one-half year of computer science. For the college-bound, 2 years of foreign language in high school are strongly recommended in addition to those taken earlier.

Whatever the student's educational or work objectives, knowledge of the New Basics is the foundation of success for the after-school years and, therefore, forms the core of the modern curriculum. A high level of shared education in these Basics, together with work in the fine and performing arts and foreign languages, constitutes the mind and spirit of our culture. The following Implementing Recommendations are intended as illustrative descriptions. They are included here to clarify what we mean by the essentials of a strong curriculum.

Implementing Recommendations

1. The teaching of English in high school should equip graduates to: (a) comprehend, interpret, evaluate, and use what they read; (b) write well-organized, effective papers; (c) listen effectively and discuss ideas intelligently; and (d) know our literary heritage and how it enhances imagination and ethical understanding, and how it relates to the customs, ideas, and values of today's life and culture.

2. The teaching of mathematics in high school should equip graduates to: (a) understand geometric and algebraic concepts; (b) understand elementary probability and statistics; (c) apply mathematics in everyday situations; and (d) estimate, approximate, measure, and test the accuracy of their calculations. In addition to the traditional sequence of studies available for college-bound students, new, equally demanding mathematics curricula need to be developed for those who do not plan to continue their formal education immediately.

3. The teaching of science in high school should provide graduates with an introduction to: (a) the concepts, laws, and processes of the physical and biological sciences; (b) the methods of scientific inquiry and reasoning; (c) the application of scientific knowledge to everyday life; and (d) the social and environmental implications of scientific and technological development. Science courses must be revised and updated for both the college-bound and those not intending to go to college. An example of such work is the American Chemical Society's "Chemistry in the Community" program.

4. The teaching of social studies in high school should be designed to: (a) enable students to fix their places and possibilities within the larger social and cultural structure; (b) understand the broad sweep of both ancient and contemporary ideas that have shaped our world; and (c) understand the fundamentals of how our economic system works and how our political system functions; and (d) grasp the difference between free and repressive societies. An understanding of each of these areas is requisite to the informed and committed exercise of citizenship in our free society.

5. The teaching of computer science in high school should equip graduates to: (a) understand the computer as an information, computation, and communication device; (b) use the computer in the study of the other Basics and for personal and work-related purposes; and (c) understand the world of computers, electronics, and related technologies.

In addition to the new Basics, other important curriculum matters must be addressed.

6. Achieving proficiency in a foreign language ordinarily requires from 4 to 6 years of study and should, therefore, be started in the elementary grades. We believe it is desirable that students achieve such proficiency because study of a foreign language introduces students to non-English-speaking cultures, heightens awareness and comprehension of one's native tongue, and serves the Nation's needs in commerce, diplomacy, defense, and education.

7. The high school curriculum should also provide students with programs requiring rigorous effort in subjects that advance students' personal, educational, and occupational goals, such as the fine and performing arts and vocational education. These areas complement the New Basics, and they should demand the same level of performance as the Basics.

8. The curriculum in the crucial eight grades leading to the high school years should be specifically designed to provide a sound base for study in those and later years in such areas as English language development and writing, computational and problem solving skills, science, social studies, foreign language, and the arts. These years should foster an enthusiasm for learning and the development of the individual's gifts and talents.

9. We encourage the continuation of efforts by groups such as the American Chemical Society, the American Association for the Advancement of Science, the Modern Language Association, and the National Councils of Teachers of English and Teachers of Mathematics, to revise, update, improve, and make available new and more diverse curricular materials. We applaud the consortia of educators and scientific, industrial, and scholarly societies that cooperate to improve the school curriculum.

Recommendation B: Standards and expectations

We recommend that schools, colleges, and universities adopt more rigorous and measurable standards, and higher expectations, for academic performance and student conduct, and that 4-year colleges and universities raise their requirements for admission. This will help students do their best educationally with challenging materials in an environment that supports learning and authentic accomplishment.

Implementing Recommendations

1. Grades should be indicators of academic achievement so they can be relied on as evidence of a student's readiness for further study.

2. Four-year colleges and universities should raise their admissions requirements and advise all potential applicants of the standards for admission in terms of specific courses required, performance in these areas, and levels of achievement on standardized achievement tests in each of the five Basics and, where applicable, foreign languages.

3. Standardized tests of achievement (not to be confused with aptitude tests) should be administered at major transition points from one level of schooling to another and particularly from high school to college or work. The purposes of these tests would be to: (a) certify the student's credentials; (b) identify the need for remedial intervention; and (c) identify the opportunity for advanced or accelerated work. The tests should be administered as part of a nationwide (but not Federal) system of State and local standardized tests. This system should include other diagnostic procedures that assist teachers and students to evaluate student progress.

4. Textbooks and other tools of learning and teaching should be upgraded and updated to assure more rigorous content. We call upon university scientists, scholars, and members of professional societies, in collaboration with master teachers, to help in this task, as they did in the post-Sputnik era. They should assist willing publishers in developing the products or publish their own alternatives where they are persistent in adequacies.

5. In considering textbooks for adoption, States and school districts should: (a) evaluate texts and other materials on their ability to present rigorous and challenging material clearly; and (b) require publishers to furnish evaluation data on the material's effectiveness.

6. Because no textbook in any subject can be geared to the needs of all students, funds should be made available to support text development in "thin-market" areas, such as those for disadvantaged students, the learning disabled, and the gifted and talented.

7. To assure quality, all publishers should furnish evidence of the quality and appropriateness of textbooks, based on results from field trials and credible evaluations. In view of the enormous numbers and varieties of texts available, more widespread consumer information services for purchasers are badly needed.

8. New instructional materials should reflect the most current applications of technology in appropriate curriculum areas, the best scholarship in each discipline, and research in learning and teaching.

Recommendation C: Time

We recommend that significantly more time be devoted to learning the New Basics. This will require more effective use of the existing school day, a longer school day, or a lengthened school year.

Implementing Recommendations

1. Students in high schools should be assigned far more homework than is now the case.

2. Instruction in effective study and work skills, which are essential if school and independent time is to be used efficiently, should be introduced in the early grades and continued throughout the student's schooling.

3. School districts and State legislatures should strongly consider 7-hour school days, as well as a 200- to 220-day school year.

4. The time available for learning should be expanded through better classroom management and organization of the school day. If necessary, additional time should be found to meet the special needs of slow learners, the gifted, and others who need more instructional diversity than can be accommodated during a conventional school day or school year.

5. The burden on teachers for maintaining discipline should be reduced through the development of firm and fair codes of student conduct that are enforced consistently, and by considering alternative classrooms, programs, and schools to meet the needs of continually disruptive students.

6. Attendance policies with clear incentives and sanctions should be used to reduce the amount of time lost through student absenteeism and tardiness.

7. Administrative burdens on the teacher and related intrusions into the school day should be reduced to add time for teaching and learning.

8. Placement and grouping of students, as well as promotion and graduation policies, should be guided by the academic progress of students and their instructional needs, rather than by rigid adherence to age.

Recommendation D: Teaching

This recommendation consists of seven parts. Each is intended to improve the preparation of teachers or to make teaching a more rewarding and respected profession. Each of the seven stands on its own and should not be considered solely as an implementing recommendation.

1. Persons preparing to teach should be required to meet high educational standards, to demonstrate an aptitude for teaching, and to demonstrate competence in an academic discipline. Colleges and universities offering teacher preparation programs should be judged by how well their graduates meet these criteria.

2. Salaries for the teaching profession should be increased and should be professionally competitive, market-sensitive, and performance-based. Salary, promotion, tenure, and retention decisions should be tied to an effective evaluation system that includes peer review so that superior teachers can be rewarded, average ones encouraged, and poor ones either improved or terminated.

3. School boards adopt an 11-month contract for teachers. This would ensure time for curriculum and professional development, programs for students with special needs, and a more adequate level of teacher compensation.

4. School boards, administrators, and teachers should cooperate to develop career ladders for teachers that distinguish among the beginning instructor, the experienced teacher, and the master teacher.

5. Substantial nonschool personnel resources should be employed to help solve the immediate problem of the shortage of mathematics and science teachers. qualified individuals including recent graduates with mathematics and science degrees, graduate students, and industrial and retired scientists could, with appropriate preparation, immediately begin teaching in these fields. A number of our leading science centers have the capacity to begin educating and retraining teachers immediately. Other areas of critical teacher need, such as English, must also be addressed.

6. Incentives, such as grants and loans, should be made available to attract outstanding students to the teaching profession, particularly in those areas of critical shortage.

7. Master teachers should be involved in designing teacher preparation programs and in supervising teachers during their probationary years.

Recommendation E: Leadership and fiscal support

We recommend that citizens across the Nation hold educators and elected officials responsible for providing the leadership necessary to achieve these reforms, and that citizens provide the fiscal support and sta-

bility required to bring about the reforms we propose.

Implementing Recommendations

1. Principals and superintendents must play a crucial leadership role in developing school and community support for the reforms we propose, and school boards must provide them with the professional development and other support required to carry out their leadership role effectively. The Commission stresses the distinction between leadership skills involving persuasion, setting goals and developing community consensus behind them, and managerial and supervisory skills. Although the latter are necessary, we believe that school boards must consciously develop leadership skills at the school and district levels if the reforms we propose are to be achieved.

2. State and local officials, including school board members, governors, and legislators, have the primary responsibility for financing and governing the schools, and should incorporate the reforms we propose in their educational policies and fiscal planning.

3. The Federal Government, in cooperation with States and localities, should help meet the needs of key groups of students such as the gifted and talented, the socioeconomically disadvantaged, minority and language minority students, and the handicapped. In combination these groups include both national resources and the Nation's youth who are most at risk.

4. In addition, we believe the Federal Government's role includes several functions of national consequence that States and localities alone are unlikely to be able to meet: protecting constitutional and civil rights for students and school personnel; collecting data, statistics, and information about education generally; supporting curriculum improvement and research on teaching, learning, and the management of schools; supporting teacher training in areas of critical shortage or key national needs; and providing student financial assistance and research and graduate training. We believe the assistance of the Federal Government should be provided with a minimum of administrative burden and intrusiveness.

5. The Federal Government has the primary responsibility to identify the national interest in education. It should also help fund and support efforts to protect and promote that interest. It must provide the national leadership to ensure that the Nation's public and private resources are marshaled to address the issues discussed in this report.

6. This Commission calls upon educators, parents, and public officials at all levels to assist in bringing about the edu ational reform proposed in this report. We also call upon citizens to provide the financial support necessary to accomplish these purposes. Excellence costs. But in the long run mediocrity costs far more.

America can do it

Despite the obstacles and difficulties that inhibit the pursuit of superior educational attainment, we are confident, with history as our guide, that we can meet our goal. The American educational system has responded to previouis challenges with remarkable success. In the 19th century our land-grant colleges and univerisities provided the research and training that developed our Nation's natural resources and the rich agricultural bounty of the American farm. From the late 1800s through mid-20th century, American schools provided the educated workforce needed to seal the success of the Industrial Revolution and to provide the margin of victory in two world wars. In the early part of this century and continuing to this very day, our schools have absorbed vast waves of immigrants and educated them and their children to productive citizenship. Similarly, the Nation's Black colleges have provided opportunity and undergraduate education to the vast majority of college-educated Black Americans.

More recently, our institutions of higher education have provided the scientists and skilled technicians who helped us transcend the boundaries of our planet. In the last 30 years, the schools have been a major vehicle for expanded social opportunity, and now graduate 75 percent of our young people from high school. Indeed, the proportion of Americans of college age enrolled in higher education is nearly twice that of Japan and far exceeds other nations such as France, West Germany, and the Soviet Union. Moreover, when international comparisons were last made a decade ago, the top 9 percent of American students compared favorably in achievement with their peers in other countries.

In addition, many large urban areas in recent years report that average student achievement in elementary schools is improving. More and more schools are also offering advanced placement programs and programs for gifted and talented students, and more and more students are enrolling in them.

We are the inheritors of a past that gives us every reason to believe that we will succeed.

A word to parents and students

The task of assuring the success of our recommendations does not fall to the schools and colleges alone. Obviously, faculty members and administrators, along with policymakers and the mass media, will play a crucial role in the reform of the educational system. But even more important is the role of parents and students, and to them we speak directly.

To Parents

You know that you cannot confidently launch your children into today's world unless they are of strong character and well-educated in the use of language, science, and mathematics. They must possess a deep respect for intelligence, achievement, and learning, and the skills needed to use them; for setting goals; and for disciplined work. That respect must be accompanied by an intolerance for the shoddy and second-rate masquerading as "good enough."

You have the right to demand for your children the best our schools and colleges can provide. Your vigilance and your refusal to be satisfied with less than the best are the imperative first step. But your right to a proper education for your children carries a double responsibility. As surely as you are your child's first and most influential teacher, your child's ideas about education and its significance begin with you. You must be a living example of what you expect your children to honor and to emulate. Moreover, you bear a responsibility to participate actively in your child's education. You should encourage more diligent study and discourage satisfaction with mediocrity and the attitude that says "let it slide"; monitor your child's study; encourage good study habits; encourage your child to take more demanding rather than less demanding courses; nurture your child's curiosity, creativity, and confidence; and be an active participant in the work of the schools. Above all, exhibit a commitment to continued learning in your own life. Finally, help your children understand that excellence in education cannot be achieved without intellectual and moral integrity coupled with hard work and commitment. Children will look to their parents and teachers as models of such virtues.

To Students

You forfeit your chance for life at its fullest when you withhold your best effort in learning. When you give only the minimum to learning, you receive only the minimum in return. Even with your parents' best example and your teachers' best efforts, in the end it is your work that determines how much and how well you learn. When you work to your full capacity, you can hope to attain the knowledge and skills that will enable you to create your future and control your destiny. If you do not, you will have your future thrust upon you by others. Take hold of your life, apply your gifts and talents, work with dedication and self-discipline. Have high expectations for yourself and convert every challenge into an opportunity.

A Final Word

This in not the first or only commission on education, and some of our findings are surely not new, but old business that now at last must be done. For no one can doubt that the United States is under challenge from many quarters.

Children born today can expect to graduate from high school in the year 2000. We dedicate our report not only to these children, but also to those now in school and others to come. We firmly believe that a movement of America's schools in the direction called for by our recommendations will prepare these children for far more effective lives in a far stronger America.

Our final word, perhaps better characterized as a plea, is that all segments of our population give attention to the implementation of our recommendations. Our present plight did not appear overnight, and the responsibility for our current situation is widespread. Reform of our educational system will take time and unwavering commitment. It will require equally widespread, energetic, and dedicated action. For example, we call upon the National Academy of Sciences, National Academy of Engineering, Institute of Medicine, Science Service, National Science Foundation, Social Science Research Council, American Council of Learned Societies, National Endowment for the Humanities, National Endowment for the Arts, and other scholarly, scientific, and learned societies for their help in this effort. Help should come from students themselves; from parents, teachers, and school boards; from colleges and universities; from local, State, and Federal officials; from teachers' and administrators' organizations; from industrial and labor councils; and from other groups with interest in and responsibility for educational reform.

It is their America, and the America of all of us, that is at risk; it is to each of us that this imperative is addressed. It is by our willingness to take up the challenge, and our resolve to see it through, that America's place in the world will be either secured or forfeited. Americans have succeeded before and so we shall again.

APPENDICES

Appendix A: Charter National Commission on Excellence in Education

Authority

20 U.S.C. 1233a. The Commission is governed by the provisions of Part D of the General Education Provisions Act (P.L. 90-247 as amended; 20 U.S.C. 1233 *et seq.*) and the Federal Advisory Committee Act (P.L. 92-463; 5 U.S.C. Appendix I) which set forth standards for the formation and use of advisory committees.

Purpose and Functions

The Commission advises and makes recommendations to the nation and to the Secretary of Education. To carry out his mission the Commission is charged with the following responsibilities:

(1) To review and synthesize the data and scholarly literature on the quality of learning and teaching in the nation's schools, colleges, and universities, both public and private, with special concern for the educational experience of teen-age youth;

(2) To examine and to compare and contrast the curricula standards, and expectations of the educational systems of several advanced countries with those of the United States;

(3) To study a representative sampling of university and college admission standards and lower division course requirements with particular reference to the impact upon the enhancement of quality and the promotion of excellence such standards may have on high school curricula and on expected levels of high school academic achievement;

(4) To review and to describe educational programs that are recognized as preparing students who consistently attain higher than average scores in college entrance examinations and who meet with uncommon success the demands placed on them by the nation's colleges and universities;

(5) To review the major changes that have occurred in American education as well as events in society during the past quarter century that have significantly affected educational achievement;

(6) To hold hearings and to receive testimony and expert advice on efforts that could and should be taken to foster higher levels of quality and academic excellence in the nation's schools, colleges, and universities;

(7) To do all other things needed to define the problems of and the barriers to attaining greater levels of excellence in American education; and

(8) To report and to make practical recommendations for action to be taken by educators, public officials, governing boards, parents, and others having a vital interest in American education and a capacity to influence it for the better.

Structure

The Commission consists of at least 12, but not more than 19, public members appointed by the Secretary. The Secretary shall designate a chairperson from among the members. Among its members the Commission includes persons who are knowledgeable about educational programs at various levels and are familiar with views of the public, of employers, of educators, and of leaders of a range of professions regarding the status of education today, requirements for the future, and ways the quality of education for all Americans can be improved.

A quorum of the Commission is a majority of appointed members.

Terms of service of members end with the termination of the Commission.

Hearings on behalf of the Commission may be held by one or more members with the authorization of the chairperson.

The Commission may establish standing committees composed exclusively of its members. Each standing committee complies with the requirements of applicable statutes and Departmental regulations. Each committee presents to the Commission findings and recommendations for action by the full Commission. Timely notification of the establishment of a committee and any change therein, including its charge, membership, and frequency of meetings, will be made in writing to the Committee Management Officer. All committees act under the policies established by the Commission as a whole.

Management and staff services are provided by the Executive Director who serves as the Designated Federal Official to the Commission and by the National Institute of Education.

Meetings

The Commission meets approximately four times a year at the call of the Chairperson, with the advance approval of the Secretary or the Designated Federal Official who approves the agenda and is present or represented at all meetings. Standing committees meet as required at the call of their Chairperson with the concurrence of the Commission Chairperson. All meetings are open to the public except as determined otherwise by the Assistant Secretary for Educational Research and Improvement. Notice of all meetings shall be given to the public. Meetings are conducted, and records of proceedings kept, in accordance with applicable laws and Department regulations.

Compensation

In accordance with the General Education Provisions Act and other applicable laws, Commission members shall be entitled to an honorarium of $100 per day for official business of the Commission. Their per diem and travel expenses will be paid in accordance with Federal Travel Regulations.

Annual Cost Estimate

Estimate of the direct cost for operating the Commission, including compensation and travel expenses for members as well as costs for studies, but excluding staff support, is $332,000. Estimate of annual person years of staff required is 16. Estimate of direct annual costs for administrative support, staff and staff per diem and travel expenses is $453,000. The National Institute of Education will provide additional administrative and research assistance to the Commission.

Reports

In addition to its final report, which is expected eighteen months from the initial meeting, the Commission submits to the Congress by March 31 of each year an annual report which contains as a minimum a list of the names and business addresses of the members, a list of the dates and places of the meetings, the functions of the Commission, and a summary of Commission activities and recommendations made during the year. Such report is transmitted with the Secretary's annual report to Congress. The Commission makes such other reports or recommendations as may be appropriate. A copy of the annual report and other reports is provided to the Committee Management Officer.

Termination Date

It is estimated that the time necessary for the Commission to complete its activities and report is at least 18 months. Therefore, to insure the completion of the report, the Secretary determines that this Commission terminates not later than two years from the date of this Charter.

Approved: August 5, 1981.

T. H. BELL,
Secretary.

Appendix B: Schedule of the Commission's public events

Event, Date(s), Place, and Host(s)

Full Commission Meeting; October 9-10, 1981; Washington, D.C.

Full Commission Meeting; December 7, 1981; Washington, D.C.

Full Commission Meeting; February 25, 1982; Washington, D.C.

Hearing—Science, Mathematics, and Technology Education; March 11, 1982; Stanford University, Stanford, California; Donald Kennedy, President, Stanford University; J. Myron Atkin, Dean, Graduate School of Education, Stanford University.

Hearing—Language and Literacy: Skills for Academic Learning; April 16, 1982; Houston Independent School District, Houston, Texas; Raymon Bynum, Texas State Commissioner of Education; Billy R. Reagan, General Superintendent, Houston Independent School District.

Panel Discussion—Performance Expectations in American Education; April 30, 1982; The University of Pennsylvania, Philadelphia, Pennsylvania; Thomas Erlich, Provost, The University of Pennsylvania.

Hearing—Teaching and Teacher Education; May 12, 1982; Georgia State University, Atlanta, Georgia; Alonzo Crim, Superintendent, Atlanta Public Schools; Sherman Day, Dean, School of Education, Georgia State University; Barbara Hatton, Dean, School of Education, Atlanta University.

In addition to these public events, the Commission members also attended a number of subcommittee meetings and work sessions over the course of 18 months.

Full Commission Meeting; May 25, 1982; Washington, D.C.

Hearing—College Admissions and the Transition to Post-Secondary Education; June 23, 1982; Roosevelt University, Chicago, Illinois; Rolf Weil, President, Roosevelt University; John Corbally, President, John D. and Catherine T. MacArthur Foundation, Chicago.

Symposium—The Student's Role in Learning; July 30, 1982; San Diego State University, California; Thomas Day, President, San Diego State University; Richard Atkinson, Chancellor, University of California, San Diego.

Panel Discussion—College Curriculum: Shape, Influence, and Assessment; August 27, 1982; University of Rhode Island; Kingston, Rhode Island; Frank Newman, President; University of Rhode Island.

Hearing—Education for a Productive Role in a Productive Society; September 16, 1982; St. Cajetan's Center, Denver, Colorado; Robert Andringa, Executive Director, Education Commission of the States, Denver.

Full Commission Meeting; September 28-29, 1982; New York, New York; Robert Payton, President, Exxon Education Foundation, Exxon Corporation, New York, New York.

Hearing—Education for the Gifted and Talented; October 15, 1982; Harvard University, Cambridge, Massachusetts; Derek Bok, President, Harvard University; Patricia Albjerg Graham, Dean, Harvard Graduate School of Education.

Full Commission Meeting; November 15-16, 1982; Washington, D.C.

Full Commission Meeting; January 21-22, 1983; Washington, D.C.

Full Commission Meeting; April 26, 1983; Washington, D.C.

Appendix C: Commissioned papers

Author(s) and Paper:

Joseph Adelson, The University of Michigan, Ann Arbor; "Twenty-Five Years of American Education: An Interpretation."

Catherine P. Ailes, Francis W. Rushing, SRI International, Arlington, Virginia; 'A Summary Report on the Educational Systems of the United States and the Soviet Union: Comparative Analysis."

Alexander W. Astin, University of California, Los Angeles; "Excellence and Equity in American Education."

Alexander W. Astin, University of California, Los Angeles; "The American Freshman, 1966-1981: Some Implications for Educational Policy and Practice."

Herman Blake, University of California, Santa Cruz; "Demographic Change and Curriculum: New Students in Higher Education."

Richard I. Brod, the Modern Language Association, New York, New York; Nicholas Farnham, The International Council on the Future of the University, New York, New York; William V. Mayer, Biological Sciences Curriculum Study, Boulder, Colorado; Robert A. McCaughey, Barnard College, New York, New York; "University Entrance Examinations and Performance Expectations."

Barbara B. Burn, Christopher H. Hurn, University of Massachusetts, Amherst; "An Analytic Comparison of Educational Systems."

Philip Cusick, Michigan State University, East Lansing; "Secondary Public Schools in America."

Paul DeHart Hurd, Stanford University, California; "An Overview of Science Education in the United States and Selected Foreign Countries."

Walter Doyle, University of Texas at Austin; "Academic Work."

Kenneth Duckworth, University of Oregon, Eugene; "Some Ideas About Student Cognition, Motivation and Work" (A Critique of the Symposium on *The Student's Role in Learning*).

Max A. Eckstein, Queens College/City of New York, Flushing; Susanne Shafer, Arizona State University, Tempe; Kenneth Travers, University of Illinois, Champaign-Urbana; "A Comparative Review of Curriculum: Mathematics and International Studies in the Secondary Schools of Five Countries."

Eleanor Farrar, The Huron Institute, Cambridge, Massachusetts; Matthew B. Miles, Center for Policy Research, New York, New York; Barbara Neufeld, The Huron Institute, Cambridge, Massachusetts; "A Review of Effective Schools Research: Implications for Practice and Research."

Zelda Gamson, University of Michigan, Ann Arbor; "A Little Light on the Subject: Keeping General and Liberal Education Alive."

William E. Gardner, University of Minnesota, Minneapolis; John R. Palmer, University of Wisconsin, Madison; "Certification and Accreditation: Background, Issue Analysis, and Recommendations."

Thomas L. Good, University of Missouri-Columbia; "What Is Learned in Schools: Responding to School Demands, Grades K-6."

Thomas L. Good and Gail M. Hinkel, University of Missouri-Columbia; "Schooling in America: Some Descriptive and Explanatory Statements."

Donald B. Holsinger, State University of New York, Albany; "Time, Content and Expectations as Predictors of School Achievement in the U.S.A. and Other Developed Countries: A Review of IEA Evidence."

Kenneth R. Howey, University of Minnesota, Minneapolis; "Charting Directions for Preservice Teacher Education."

Torsten Husen, University of Stockholm, Sweden; "A Cross-National Perspective on Assessing the Quality of Learning."

Nancy Karweit, Johns Hopkins University, Baltimore, Maryland; "Time on Task: A Research Review."

Howard London, Bridgewater State College, Massachusetts; "Academic Standards in the American Community College: Trends and Controversies."

Martin L. Maehr, University of Illinois, Champaign-Urbana; "Motivational Factors in School Achievement."

Matthew B. Miles, Center for Policy Research, New York, New York; Eleanor Farrar and Barbara Neufeld, The Huron Institute, Cambridge, Massachusetts; "The Extent of Adoption of Effective Schools Programs."

Barbara Neufeld and Eleanor Farrar, The Huron Institute, Cambridge, Massachusetts; Matthew B. Miles, Center for Policy Research, New York, New York; "A Review of Effective Schools Research: The Message for Secondary Schools."

William Neumann, Syracuse University, New York; "College Press and Student Fit."

C. Robert Pace, University of California, Los Angeles; "Achievement and Quality of Student Effort."

Harvey L. Prokop, San Diego Unified School District, California; "Intelligence, Motivation and the Quantity and Quality of Academic Work and their Impacts on the Learning of Students: A Practitioner's Reaction" (A Critique of the Symposium on *The Student's Role in Learning*).

Lauren B. Resnick, University of Pittsburgh, Pennsylvania; Daniel P. Resnick, Carnegie-Mellon University, Pittsburgh, Pennsylvania; "Standards, Curriculum, and Performance: An Historical and Comparative Perspective."

Frederick Rudolph, Williams College, Williamstown, Massachusetts; "Educational Excellence—The Secondary School-College Connection and Other Matters: An Historical Assessment."

Clifford Sjogren, University of Michigan, Ann Arbor; "College Admissions and the Transition to Postsecondary Education: Standards and Practices."

Richard E. Snow, Stanford University, California; "Intelligence, Motivation and Academic Work" (A Critique of the Symposium of *The Student's Role in Learning*).

Robert J. Sternberg and Richard Wagner, Yale University, New Haven, Connecticut; "Understanding Intelligence: What's in It for Educators?"

Deborah Stipek, University of California, Los Angeles; "Motivating Students to Learn: A Lifelong Perspective."

Judith Torney-Purta, University of Maryland, College Park; John Schwille, Michigan State University, East Lansing; "The Values Learned in School: Policy and Practice in Industrialized Countries."

Beatrice Ward, John R. Mergendoller, and Alexis L. Mitman, Far West Laboratory of Eductional Research and Development, San Francisco, California; "The Years Between Elementary School and High School: What Schooling Experiences Do Students Have?"

Jonathan Warren, Educational Testing Service, Berkeley, California; "The Faculty Role in Educational Excellence."

Dean K. Whitla, Harvard University, Cambridge, Massachusetts; "Value Added and Other Related Matters."

Sam J. Yarger, Syracuse University, New York; "Inservice Education."

Herbert Zimiles, Bank Street College of Education, New York, New York; "The Changing American Child: The Perspective of Educators."

Commissioned papers will be available in the ERIC system after July 1983 (See Ordering Information).

Also available through the ERIC system after July 1983:

Clifford Adelman, National Institute of Education, Washington, D.C.; "A Study of High School Transcripts, 1964-1981."

Appendix D: Hearing testimony

Science, mathematics, and technology education

H. Guyford Stever, National Academy of Sciences, Washington, D.C.

Bernard M. Oliver, Hewlett-Packard Company, Palo Alto, California.

Henry L. Alder, University of California, Davis, representing the Council of Scientific Society Presidents.

Sarah E. Klein, Roton Middle School, Norwalk, Connecticut, representing the National Science Teachers Association.

Harold D. Taylor, Hillsdale High School, San Mateo, California, representing the National Council of Teachers of Mathematics.

John Martin, Palo Alto Unified School District, California.

Ruth Willis, Hamilton Junior High School, Oakland, California.

Sam Dederian, San Francisco Unified School District, California.

Leroy Finkel, San Mateo County Office of Education, California.

Olivia Martinez, San Jose Unified School District, California.

Robert Bell, General Electric Company, San Jose, California.

Judith Hubner, representing the Governor's Office, State of California.

Robert W. Walker, De Anza-Foothill Community College District, California.

Nancy Kreinberg, Lawrence Hall of Science, Berkeley, California.

Robert Finnell, Lawrence Hall of Science, Berkeley, California.

Marian E. Koshland, University of California, Berkeley, representing the National Science Board.

Alan M. Portis, University of California, Berkeley, representing the Education Committee of the American Physical Society.

Leon Henkin, University of California, Berkeley, representing the U.S. Commission on Mathematical Instruction.

John Pawson, Edison High School, Huntington Beach, California.

Alan Fibish, Lowell High School, San Francisco, California.

Juliet R. Henry, representing the California Teachers Association.

Jess Bravin, Board of Education, Los Angeles, California.

Frank Oppenheimer, Exploratorium, San Francisco, California.

Leigh Burstein, University of California, Los Angeles.

Judy Chamberlain, Cupertino Unified School District, California.

Michael Summerville, Fremont Unified High School District, California.

Ted Perry, San Juan Unified School District, California.

Paul DeHart Hurd, Stanford University, California.
Elizabeth Karplus, Campolindo High School, Moraga, California.
Louis Fein, Palo Alto Learners Association, California.
Bob McFarland, representing the California Math Council.
Katherine Burt, Cupertino Elementary School District, California.
Leo Ruth, California Engineering Foundation.
Gordon M. Ambach, State Education Department, Albany, New York.
James L. Casey, State Department of Education, Oklahoma City, Oklahoma.
Carolyn Graham, Jefferson Elementary School, Burbank, California.
Marcy Holteen, Ambler, Pennsylania.
Howard C. Mel and Kay Fairwell, Lawrence Hall of Science, Berkeley, California.
Jean Phillips, Thousand Oaks, California.
Simon Ramo, the TRW-Fujitsu Company, Redondo Beach, California.
Gerhardt W. Reidel, University of West Los Angeles, Culver City, California.
Carl L. Riehm, Virginia State Department of Education, Richmond, Virginia.
John H. Saxon, Norman, Oklahoma.
Thomas O. Sidebottom, Interactive Sciences, Inc., Palo Alto, California.
Karl Weiss, Northeastern University, Boston, Massachusetts.
Jan West, Oroville, California.

Related activities in the Bay Area

Site Visit: Lawrence Hall of Science, University of California, Berkeley, Howard C. Mel, Director.
Tour of the Paul and Jean Hanna Collection on the Role of Education and the Archives and Library at the Hoover Institution, Stanford University.
Dinner with business, education, and community leaders, Sponsored by the Chamber of Commerce of the United States, Western Regional Office, and the William and Flora Hewlett Foundation.

Language and literacy: Skills for academic learning

Richard C. Anderson, University of Illinois, Champaign-Urbana.
Margaret Smith-Burke, New York University, New York.
Donald Graves, University of New Hampshire, Durham.
Eileen Lundy, University of Texas, San Antonio.
Ray Clifford, Defense Language Institute, Presidio of Monterey, California.
Lily Wong-Fillmore, University of California, Berkeley.
Victoria Bergin, Texas Education Agency, Austin.
Alan C. Purves, University of Illinois, Champaign-Urbana.
Delia Pompa, Houston Independent School District, Texas.
Olivia Munoz, Houston Independent School District, Texas.
James Kinneavy, University of Texas, Austin.
Betty Von Maszewski, Deer Park Independent School District, Texas.
Claire E. Weinstein, University of Texas, Austin.
Patricia Sturdivant, Houston Independent School District, Texas.
June Dempsey, University of Houston, Texas, representing the American Association of Community and Junior Colleges, the Western College Reading Association, and the National Association for Remedial and Developmental Studies in Postsecondary Education.
Jane Porter, College Board, Austin, Texas.
Kay Bell, Texas Classroom Teachers Association, Austin, Texas.
Judy Walker de Felix, University of Houston, Texas.
Barbara Glave, University of Houston, Texas, representing the Houston Area Teachers of Foreign Language.
Dora Scott, Houston Independent School District, Texas, representing the National Education Association and the Texas State Teachers Association, Houston.
Georgette Sullins, Spring Independent School District, Texas.
Renate Donovan, Spring Branch Independent School District, Texas.
Gordon M. Ambach, State Education Department, Albany, New York.
Jo Bennett and Jean Parochetti, Alvin Community College, Texas.
Sharon Robinson, National Education Association, Washington, D.C.
Donald L. Rubin, University of Georgia, Athens, representing the Speech Communication Association.
Robert N. Schwartz, University of Houston, Texas.
Ralph C. Staiger, International Reading Association, Newark, Delaware.
Helen Warringer-Burke and Carl L. Riehm, Department of Education, Richmond, Virginia.
William Work, Speech Communication Association, Annandale, Virginia.
Daryl R. Yost, East Allen County Schools, New Haven, Indiana.

Related activities in Houston

Site visits coordinated by the Office of the General Superintendent of the Houston Independent School District: Briargrove Elementary School, Wilson Elementary School, Clifton Middle School, Bellaire High School, High School for Engineering Professions, High School for Health Professions, High School for Performing and Visual Arts.

Teaching and Teacher Education

Gary Sykes, National Institute of Education, Washington, D.C.
Gary Fenstermacher, Virginia Polytechnic Institute and State University, Blacksburg.
David G. Imig, American Association of Colleges for Teacher Education, Washington, D.C.
Anne Flowers, Georgia Southern University, Statesboro.
Barbara Peterson, Seven Oaks Elementary School, Columbia, South Carolina.
Eva Galumbos, Southern Regional Education Board, Atlanta, Georgia.
Robert Scanlon, Pennsylvania State Department of Education, Harrisburg.
Ralph Turlington, Florida State Department of Education, Tallahassee.
Gail MacColl, National Institute of Education, Washington, D.C.
Kathy Jones, Roan State Community College, Harriman, Tennessee, representing the National Education Association.
Mary Lou Romaine, Atlanta Federation of Teachers, Gerogia, representing the American Federation of Teachers.
Janet Towslee-Collier, Georgia State University, Atlanta, representing the Association of Teacher Educators.
Robert Fortenberry, Jackson City Schools, Mississippi, representing the American Association of School Administrators.
Nicholas Hobar, West Virginia Department of Education, Charleston, representing the National Association of State Directors of Teacher Education and Certification.
Fred Loveday, Georgia Private Education Council, Smyrna, representing the Council for American Private Education.
James Lowden, Alabama Christian Education Association, Prattville, representing the American Association of Christian Schools.
J. L. Grant, Florida State University, Tallahassee, representing the American Association for Colleges of Teacher Education.
Carolyn Huseman, Georgia State Board of Education, representing the National Association of State Boards of Education.
Robert Fontenot, University of Southwestern Louisiana, LaFayette.
Nancy Ramseur, Camden High School, South Carolina.
Eugene Kelly, George Washington University, Washington, D.C.
Richard Hodges, Decatur, Georgia.
James Gray, University of California, Berkeley.
Rober Dixon, Institute for Research, Development and Engineering in Nuclear Energy, Atlanta, Georgia.
Pat Woodall, Columbus, Georgia.
Wayne Wheatley, Furman University, Greenville, South Carolina, representing the Council for Exceptional Children
Joe Hasenstab, Project Teach, Westwood, New Jersey
William Drummond, University of Florida, Gainesville
Debbie Yoho, Southeastern Regional Teacher Center, Columbia, South Carolina
Donald Gallehr, Virginia Writing Project, Fairfax
James Collins, National Council of States on In-service Education, Syracuse, New York
Ann Levy, Project New Adventure in Learning, Tallahassee, Florida
Bill Katzenmeyer, University of South Florida, Tampa
Walt Mika, Virginia Education Association
Eunice Sims, Georgia Writing Project, Atlanta
Elaine Banks and Sam Sava, National Association of Elementary School Principals, Reston, Virginia
Alandino A. Burchianti, Masontown, Pennsylvania
Roy Edelfelt, Washington, D.C.
Ed Foglia, California Teachers Association, Burlingame
June Johnson, New Adventure in Learning, Tallahassee, Florida
Richard A. Krueger, Staples Teacher Center, Minnesota
Clare Miezio, Eagle Forum Education Committee, Schaumburg, Illinois
Donald L. Rubin, University of Georgia, Athens, representing the Speech Communication Association Committee on Assessment and Testing
Daryl R. Yost, East Allen County Schools, New Haven, Indiana

Related activities in Atlanta

Site Visits: Douglas High School, L.W. Butts, Principal; Mays High School, Thomas E. Wood, Jr., Principal.
Lunch with local dignitaries hosted by Georgia State University.
Dinner with business, education, and community leaders: Coordinated by the Atlanta Partnership of Business and Education; Sponsored by FABRAP Architects, Inc., and the Coca-Cola Company.

College Admissions and the Transition to Postsecondary Education

Clifford Sjogren, University of Michigan, Ann Arbor.
Ralph McGee, New Trier Township High School, Winnetka, Illinois.

Alice Cox, University of California Systemwide Administration, Berkeley.
George Stafford, Prairie View A&M University, Texas.
Fred Hargadon, Stanford University, California.
Margaret MacVicar, Massachusetts Institute of Technology, Cambridge.
Lois Mazzuca, National Association of College Admissions Counselors, Rolling Meadows, Illinois.
Ora McConnor, Chicago Public Schools, Illinois.
Theodore Brown, Hales Franciscan High School, Chicago, Illinois.
Charles D. O'Connell, University of Chicago, Illinois.
Oscar Shabat, Chicago Community College System, Illinois.
Arnold Mitchum, Marquette University, Milwaukee, Wisconsin.
Michael Kean, Educational Testing Service, Midwestern Regional Office, Evanston, Illinois.
John B. Vaccaro, The College Board, Midwestern Regional Office, Evanston, Illinois.
William Kinnison, Wittenberg University, Springfield, Ohio.
William J. Pappas, Northview High School, Grand Rapids, Michigan.
Carmelo Rodriguez, ASPIRA of Illinois, Chicago.
Jeffrey Mallow, Loyola University, Chicago, Illinois.
Carol Elder, Local 4100 of American Federation of Teachers, Chicago, Illinois.
Bettye J. Lewis, Michigan Alliance of Families.
Rachel Ralya, Michigan Alliance of Families.
Austin Doherty, Alverno College, Milwaukee, Wisconsin.
Gordon M. Ambach, State Education Department, Albany, New York.
Gordon C. Godbey, Pennsylvania Association for Adult Continuing Education.
Daryl R. Yost, East Allen County Schools, New Haven, Indiana.

Related activities in Chicago

Site Visits: Standard Oil of Indiana, Gene E. Cartwright, Manager of Employee Relations and Joseph Feeney, Director, Training and Personnel Planning; Continental Illinois Bank, Jennifer Olsztynski, Personnel Manager; De Paul University, Rev. John T. Richardson, President and David Justice, Dean, School for New Learning.
Luncheon with leaders of higher education institutions; Sponsored by the John D. and Catherine T. MacArthur Foundation.
Dinner with business, education, and community leaders; Sponsored by the John D. and Catherine T. MacArthur Foundation; Chaired by Stanley O. Eikenberry, President, University of Illinois.

Education for a Productive Role in a Productive Society

Daniel Saks, Brookings Institution, Washington, D.C.
Roy Forbes, Education Commission of the States, Denver, Colorado.
Sol Hurwitz, Committee for Economic Development, New York, New York.
Martha Brownlee, Naval Education and Training for Research and Development Pensacola, Florida.
Norman Pledger, Colorado AFL-CIO, Denver.
Lucretia James, Storage Technology, Inc., Louisville, Colorado.
Kathy Collins Smith, American Institute of Banking, Denver, Colorado.
Wade Murphree, Denver Institute of Technology, Colorado.
Calvin Frazier, State Department of Education, Denver, Colorado.
Rober Taylor, The Ohio State University, Columbus.
John Peper, Jefferson County Schools, Lakewood, Colorado.
Michael A. MacDowell, Joint Council on Economic Education, New York, New York.
Larry Brown, 70001, Inc., Washington, D.C.
Robert Stewart, University of Missouri, Columbia.
Gordon Dickinson, Colorado Community College and Vocational Education Board, Sterling.
Karl Weiss, Northeastern University, Boston, Massachusetts.
Donald Schwartz, University of Colorado, Colorado Springs.
Patricia Brevik, Auraria Library and Media Center, Denver, Colorado.
John Dromgoole, National Commission on Cooperative Education, Boston, Massachusetts.
Faith Hamre, Littleton Public Schools, Ohio.
Vernon Broussard, National Council on Vocational Education, Culver City, California.
David Terry, Utah System of Higher Education, Salt Lake City.
Georgia Van Adestine, Western Michigan University, Kalamazoo, Michigan.
Gordon E. Heaton, Colorado Education Association, Aurora, Colorado.
Young Jay Mulkey, American Institute for Character Education, San Antonio, Texas.
George P. Rusteika, Far West Laboratory for Educational Research and Development, San Francisco, California.
Donald Clark, National Association for Industry-Education Cooperation, Buffalo, New York.
Jacqueline Danzberger, Youth-Work, Inc., Washington, D.C.
Charles Davis, Education Clinics, Inc., Seattle, Washington.
Dennis A. Dirksen, San Diego State University, California.
Ben Lawrence, National Center for Higher Education Management Systems, Boulder, Colorado.
Bill Rosser and Jennie Sanchez, Chicano Education Project, Denver, Colorado.
Sandra K. Squires, University of Nebraska, Omaha.

Related activities in the Denver area

Site Visits: Warren Occupational Technology Center, Golden, Byron Tucker, Principal; Mountain Bell Education and Training Center, Lakewood, Fred Wells, Director; Career Education Center, Denver, John Astuno, Principal; Emily Griffith Opportunity School, Denver, Butch Thomas, Principal.
Luncheon discussion with Robert Worthington, Assistant Secretary for Vocational and Adult Education, U.S. Department of Education, Washington, D.C.
Dinner discussion with Willard Wirtz, National Institute for Work and Learning, Washington, D.C., and Henry David, National Institute of Education, Washington, D.C.
Dinner with business, education, and community leaders, Sponsored by the Education Commission of the States, Chaired by Calvin Frazier, Commissioner of Education, Colorado.

Education for the Gifted and Talented

James J. Gallagher, University of North Carolina, Chapel Hill.
Marcel Kinsbourne, Eunice Kennedy Shriver Center, Waltham, Massachusetts.
Joseph Renzulli, University of Connecticut, Storrs.
David Feldman, Tufts University, Medford, Massachusetts.
William Durden, Johns Hopkins University, Baltimore, Maryland.
Connie Steele, Texas Technical University, Lubbock.
Isa Kaftal Zimmerman, Lexington Public Schools, Massachusetts.
Alexinia Baldwin, State University of New York, Albany.
Arthur Pontarelli, Rhode Island State Department of Education, Providence.
Armand E. Bastastini, Jr., Rhode Island State Legislature, Providence.
William R. Holland, Narragansett School District, Rhode Island.
Melissa Lawton, Bristol School District, Rhode Island.
Rachel Christina, Bristol School District, Rhode Island.
Catherine Valentino, North Kingstown School District, Rhode Island.
Marie Friedel, National Foundation for Gifted and Creative Children, Providence, Rhode Island.
Marsha R. Berger, Rhode Island Federation of Teachers, Providence.
Sidney Rollins, Rhode Island College, Providence.
David Laux, State Advocates for Gifted Education, Providence, Rhode Island.
James A. Di Prete, Coventry High School, Rhode Island.
Harold Raynolds, Maine State Department of Education, Augusta.
June K. Goodman, Connecticut State Board of Education, Hartford.
Mary Hunter Wolfe, Connecticut State Task Force on Gifted and Talented Education, Hartford.
Paul Regnier, speaking on behalf of Gordon Ambach, State Education Department, Albany, New York.
Benson Snyder, Massachusetts Institute of Technology, Cambridge, Massachusetts.
June Cox, Sid Richardson Foundation, Fort Worth, Texas.
Loretta L. Frissora, Needham Public Schools, Massachusetts, representing the National Education Association.
Patricia O'Connell, Augusta, Maine, representing the Council of State Directors for Programs for the Gifted.
Virginia Ehrlich, Astor Program Studies for Gifted, Suffern, New York.
Gloria Duclos, University of Southern Maine, Portland.
Anton Lysy, Londonderry School District, New Hampshire.
Rhoda Spear, New Haven Schools, Connecticut.
Judith Grunbaum, Southeastern Massachusetts University, North Dartmouth.
Vincent Hawes, American Association of State Colleges and Universities, Washington, D.C.
Dorothy Moser, Mortar Board, Inc., Columbus, Ohio.
Wendy Marcks, Chelmsford Association for Talented and Gifted, Massachusetts.
James DeLisle, University of Connecticut, Storrs.
Naomi Zymelman, Charles E. Smith Jewish Day School, Rockville, Maryland.
Sherry Earle, Connecticut Association for the Gifted, Danbury.
C. Grey Austin, University of Georgia, Athens.

Sally Reis, Council for Exceptional Children, Talented and Gifted Division, Reston, Virginia.

Betty T. Gilson, Brockton Public Schools, Massachusetts.

Roberta McHardy, Lousiana Department of Education, Baton Rouge.

Felicity Freund, Gifted Child Society, Oakland, New Jersey.

Lydia Smith, Simmons College, Boston, Massachusetts.

Betsy Buchbinder, Massachusetts Association for Advancement of Individual Potential, Milton.

Artemis Kirk, Simmons College, Boston, Massachusetts, representing the Association of College and Research Libraries.

Elizabeth F. Abbott, Governor's Program for Gifted and Talented, Gainesville, Florida.

James Alvino, Gifted Child Newsletter, Sewell, New Jersey.

Gordon M. Ambach, State Education Department, Albany, New York.

Association of San Diego Educators for the Gifted and Talented, California.

Philip J. Burke and Karen A. Verbeke, University of Maryland, College Park.

Sheila Brown, Nebraska Department of Education, Lincoln.

California Association for the Gifted, Downey.

Carolyn M. Callahan, The Association for the Gifted.

Anne B. Crabbe, Coe College, Cedar Rapids, Iowa.

Roxanne H. Cramer, American Mensa, Arlington, Virginia.

Neil Daniel, Texas Christian University, Fort Worth.

Sue Ellen Duggan and Mary Lou Fernandes, Lackawanna City School District, New York.

John F. Feldhusen, Purdue University, West Lafayette, Indiana.

Frank F. Fowle, Ill, Clayton, Missouri.

Joseph Harrington, College Academy, Stoughton, Massachusetts.

Anne E. Impellizzeri, American Association for Gifted Children.

Betty Johnson, Minnesota Council for the Gifted and Talented, Minneapolis.

Nancy Kalajian, Sommerville, Massachusetts.

John Lawson, Massachusetts Department of Education, Quincy.

Barbara Lindsey, Southwest Iowans for Talented and Gifted, Council Bluffs.

Diane Modest, Framingham Public Schools, Massachusetts.

Jack L. Omond, Office for the Gifted, Port Elizabeth, South Africa.

Arthur Purcell, Resource Policy Institute, Washington, D.C.

Annette Raphel, Milton Academy, Massachusetts.

Susanne Richert, Educational Improvement Center, Sewell, New Jersey.

Carl L. Riehm, Virginia State Department of Education, Richmond.

Terry Ruby, Raynham Public Schools, Massachusetts.

Barbara Moore Schuch, San Diego City Schools, California.

Dorothy Sisk, University of South Florida, Tampa.

Mercedes Smith, Gifted Association of Missouri, Springfield.

Christopher L. Sny, Janesville Public Schools, Wisconsin.

Julian C. Stanley, SMPY, Department of Psychology, Johns Hopkins University, Baltimore, Maryland.

Jo Thomason and Frederick J. Weintraub, Council for Exceptional Children, Reston, Virginia.

Jo Anne Welch, Mississippi Association for the Talented and Gifted.

Related activities in the Boston area

Site Visits: Buckingham, Brown and Nichols School, Cambridge, Peter Gunness, Headmaster; Brookline High School, Brookline, Robert McCarthy, Headmaster.

Secretary's Regional Representatives

The Secretary's Regional Representatives held their own conferences or hearings for educators in their regions in order to provide additional testimony to the Commission. In addition to these events, they also supported the hearings the Commission sponsored in their regions.

Region I, Wayne Roberts, Boston, Massachusetts, Forum on Effective Schools, September 16, 1982.

Region II, Lorraine Colville, New York, New York, Forum on Excellence, October 21, 1982.

Region III, Joseph Ambrosino, Philadelphia, Pennsylvania, Hearing/Conference on Cooperative Education, October 11, 1982.

Region IV, Ted B. Freeman, Atlanta, Georgia, Public Meeting on Excellence in Education, October 22, 1982.

Region V, Harold Wright, Chicago, Illinois, Excellence in Education: Preparation for the Transition to Higher Education, October 6, 1982.

Region VI, Scott Tuxhorn, Dallas, Texas, Public Hearing on Excellence in Education, October 4, 1982.

Region VII, Cynthia A. Harris, Kansas City, Missouri, Rural and Small Schools Excellence, October 26, 1982.

Region VIII, Tom Tancredo, Denver, Colorado, Conference on Excellence in Education, November 12-13, 1982.

Region IX, Eugene Gonzales, San Francisco, California, The Teacher: Key to Excellence in the Classroom, October 18, 1982.

Region X, George Hood, Seattle, Washington, Public Hearing, June 25, 1982, August 27, 1982 (Hearing Officer: Hyrum M. Smith).

Transcripts of the preceding hearings sponsored by and for the Commission will be available in the ERIC System (See Ordering Information).

In addition to these hearings sponsored by and for the Commission, Commission members participated in a series of site visits and a public hearing focusing on Excellence in Rural Education. These events took place on April 23-24, 1982, in Kentucky. The hearing was held at the University of Kentucky-Somerset Community College.

Appendix E: Other presentations to the Commission

Adrienne Bailey, The College Board, New York, New York.

Stephen Bailey, Harvard Graduate School of Education, Cambridge, Massachusetts.

Irene Bandy, Ohio Department of Education, Columbus.

Elias Blake, Clark College, Atlanta, Georgia.

Lewis M. Branscomb, National Science Board, Washington, D.C.

David Burnett, University of Pennsylvania, Philadelphia.

Lawrence Cremin, Teachers College, Columbia University, New York, New York

James V. Gaddy, New Rochelle High School, New York.

John Goodlad, University of California, Los Angeles.

Elaine Hairston, Ohio Board of Regents, Columbus.

John Hurley, INA Corporation (Now CIGNA), Philadelphia, Pennsylvania.

Edward Kelly, State University of New York at Albany.

Robert McMillan, University of Rhode Island, Kingston.

Edward Pellegrino, Georgetown Medical Center, Washington, D.C.

Francis Roberts, National Endowment for the Humanities, Washington, D.C.

David S. Seeley, Staten Island, New York.

John Sprott, U.S. Department of State, Washington, D.C.

Carol Stoel, U.S. Department of Education, Washington, D.C.

Abraham Tannenbaum, Teachers College, Columbia University, New York, New York.

Harold Tragash, Xerox Corporation, Stamford, Connecticut.

Appendix F: Notable programs

Institutions Which Submitted Profiles of Programs

With the assistance of a variety of organizations, the Commission conducted four searches for examples of notable programs and promising approaches to specific problems in American education. Our purpose was to understand better how schools, school districts, colleges, and other education organizations were defining and addressing these problems. Where the evidence was convincing, we also sought to learn what made successful programs work in different settings.

The Commission's procedure in these four searches was to solicit original profiles of these programs and approaches, profiles that would answer a number of key questions concerning their purpose, content, organization, impact, and transferability.

Evidence of program success was provided wholly by the institution submitting the profile. The Commission is, thus, in no position to validate these programs or to claim any of them to be "exemplary."

Over 200 schools, school districts, colleges and other educational organizations responded to our solicitations. They sent in profiles and other descriptions of nearly 300 programs. Due to the specific problems on which we were seeking information (e.g. the transition from secondary to postsecondary education, the use of educational technology, mathematics education, cooperative educational ventures with business and industry), most of the respondents were postsecondary institutions. But many of the profiles submitted by colleges involved programs developed for or with elementary and/or secondary schools and are in operation in many school districts.

For their assistance in the efforts to identify and solicit this information, we are particularly grateful to the American Council on Education, the American Association for Higher Education, the American Association of State Colleges and Universities, the American Association of Community and Junior Colleges, the National Association of Secondary School Principals, the Academy for Educational Development, the Council on American Private Education, and the Fund for the Improvement of Postsecondary Education.

The following document will be available in the ERIC System sometime after July, 1983 (See Ordering Information):

Authors and Paper:

Clifford Adelman, National Institute of Education, Washington, D.C.; Elaine Reuben, Elaine Reuben Associates, Wash-

ington, D.C.; "Notable Programs in American Postsecondary Education: Selected Analytical Abstracts".

Appendix G: Acknowledgments

We want to express particular appreciation to the Commission staff which, under the leadership of Executive Director Milton Goldberg, assisted us in our work and helped prepare this report. The staff included: Betty S. Baten, Stella Carol Foley, Peter H. Gerber, James Harvey, Arnetta D. LaGrone, Alisa M. Longworth, Mollie Shannahan MacAdams, Penny S. McDonald, Shelia L. Sam, Haroldie K. Spriggs, Tommy M. Tomlinson, Susan Traiman, and Patricia A. Welch.

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Mr. HOLLINGS. It only follows on an even more meaningful report to this particular Senator, and that more meaningful report is entitled "People and Productivity: A Challenge to Corporate America." This was published some 6 months preceding the Commission on Excellence in Education report. It was a study from the New York Stock Exchange's Office of Economic Research, and when you have the blue-chip corporations of America study for a solid year to determine why Japan is excelling, why Japan is increasing its productivity, and you see there a statement:

> Much of the Japanese success in the work place appears attributable to what happens before people get to the work place, to the effectiveness of Japanese primary and secondary education.

It makes you take notice. And you read on, Madam President, to see in answer to a particular question as to why they are excelling at this particular time. That question is: "If you had to pick the one factor that is responsible for what the extraordinarily high productivity of the Japanese people would be," unhesitatingly the answer is: "The high quality of Japanese primary and secondary education."

The particular study "A Nation At Risk," is by majority of distinguished educators, whether in the parents and teachers, superintendents' level, or the institutions of higher learning, I do not detract from in any sense their ability and leadership. But even more meaningful to this Senator is when the blue-chip corporations of America come forward and say "we're worried about what is going on in the first grade in America, in elementary schools, in the public high schools." That is what the New York Stock Exchange study indicates.

So there it is. We have, Madam President, quite a challenge here now. To, in essence, play catchup ball on the precept of the American character. Servan-Schreiber, in his book over 20 years ago, entitled "The American Challenge," found that America was excelling because of its universal public education system. Our competitors, our allies in Europe and in Japan, have now not only copied that particular approach but they are now beating us at our own game.

Madam President, today the senior Senator from Vermont, chairman of the Education Committee, Mr. STAFFORD, and I, along with 22 of our colleagues offer a comprehensive amendment to increase funding for elementary and secondary and higher education programs. With our amendment we propose to add $1.5 billion to the level of funding reported in the first concurrent budget resolution. When this amount is added to the resolution, the total amount for education programs is $16.4 billion for fiscal year 1984. Our amendment contemplates adding $500 million to elementary and secondary education programs; $800 million for higher education programs; and, $200 million for a new math and science program.

At no time in the opinion of this Senator, Madam President, has the education need of the Nation been so clearly presented. We are deeply indebted to the National Commission on Education Excellence for the report it released last week. The report is stark and direct. But, as eloquent as it is, it does no more than present facts that many of us have long ago recognized. The Commission found a "nation at risk," and warns that "our very future as a nation and as a people" is threatened because of the steady decline in educational achievement over the past two decades. In spelling out the risk, the Commission suggested a goal, Madam President, which I think is appropriate and deserves our attention:

> All, regardless of race of class or economic status, are entitled to a fair chance and to the tools for developing their individual powers of mind and spirit to the utmost. This promise means that all children by virtue of their own efforts, competently guided, can hope to attain the mature and informed judgment needed to secure gainful employment and to manage their own lives, thereby serving not their own interests but also the progress of society itself.

Our Nation faces an increasingly difficult period of competition from the other nations of the world. As the Commission's report points out: "History is not kind to idlers." Everyone knows that our foreign competitors have entered our markets vigorously and are displacing American products, and consequently American workers, with alarming ease and increasing regularity. The report points out, and correctly in my opinion, that this development signifies:

> A redistribution of trained capability throughout the globe. Knowledge, learning, information, and skilled intelligence are the raw materials of international commerce and are today spreading throughout the world as vigoriously as miracle drugs. * * * If only to keep and improve on the slim competitive edge we still retain in the world markets, we must dedicate ourselves to the reform of our educational system for the benefit of all—old and young alike, affluent and poor, majority and minority. Learning is the indispensible investment required for success in the "information age" we are entering.

For years the educational capacity of our people and the natural resources of our Nation have established our paramount position in the world. But no more. We must meet the competition. To do so is to insure excellence in the educational process of our Nation and the students it teaches.

Another distinguished group made a similar observation late last year. I am referring to the New York Stock Exchange and its study entitled, "People and Productivity: A Challenge to Corporate America." As part of a series, the exchange issued a report that focused on the human factor of the productivity formula. And, a significant part of the report involved a case

study of the highly regarded Japanese system. It starts with the assumption that what happens in the workplace is significantly determined by the preparation and training for work that people receive before they get to the workplace.

In trying to understand the high productivity of the Japanese people and the tremendous success of Japan's industrial machine experts offered many reasons: quality circles, the art of Japanese management, the practice of theory Z, the partnership between government and business, and others. However, the study reports, when the question, "If you had to pick the one factor that is responsible for the extraordinarily high productivity of the Japanese people, what would that factor be?" the expert on Japan answered unhesitatingly "the high quality of Japanese primary and secondary education." The study points out that a similar view is held by no less an authority than Prof. Edwin Reischauer, former Ambassador to Japan. In his book, "The Japanese," Reischauer writes that:

Nothing, in fact, is more central in Japanese society or more basic to Japan's success than is its educational system.

The report states:

The Japanese educational system and job training programs have a sharper focus than their American counterparts on preparing young people for the workplace. The Japanese school system is a long-term investment in human capital which yields important benefits when these people enter the workforce.

And, further, the report "urges American business to recognize its stake in the educational system and to become involved in upgrading schools."

As important as education is to the commercial and economic capacity of the United States and our ability to meet the competition from abroad, it is just as important, as the commission's report points out:

To the intellectual, moral, and spiritual strengths of our people which knit together the very fabric of our society.

We all know this to be true. It is crucial to the basic strength and stability of our democratic form of government, and the report makes the point:

A high level of shared education is essential to a free, democratic society and to the fostering of a common culture, especially in a country that prides itself on pluralism and individual freedom. For our country to function, citizens must be able to reach some common understandings on complex issues. * * * Education helps form these common understandings, a point Thomas Jefferson made long ago in his justly famous dictum:

I know no safe depository of the ultimate powers of the society but the people themselves; and if we think them not enlightened enough to exercise their control with a wholesome discretion, the remedy is not to take it from them but to inform their discretion.

As mentioned, "History is not kind to idlers." For far too long we have neglected our responsibility for the education of our children. The facts are clear and convincing. A course of action has been suggested, and I am confident that the consensus we see building in this Nation to rebuild our economy and restore prosperity will give ample attention to the part that education must play it we are to reach our goal. This Senator, for one, intends to involve himself in that effort, as he has before.

With the amendment we present today we can take a modest step in the long-term investment we must make to restore excellence to our system of education. The problems we face in education did not occur over night, nor will the solution we devise enable us to cure these problems over night. Instead a measured plan and a demonstrated commitment to the goal we all desire for our education system is the best course. The amendment we offer today is one positive step we can take now. It is a responsive, fiscally sound first step. In fiscal year 1980, the Federal Government spent a total of $15.6 billion for education programs. In fiscal year 1981 that figure was $15.2 billion. In fiscal year 1982 that figure was $14.6 billion. In fiscal year 1983 that figure was $15.1 billion. If we were to provide funding at the fiscal year 1980 level, adjusted for inflation, the figure for fiscal year 1984 would be $22.1 billion. I know, and you know, that that sum is out of the question at this time. But, with the pressing needs we all must admit to, the $14.9 billion in the budget resolution is equally out of the question. The amendment provides for a level of $16.4 billion. In my opinion we should spend more, but I have bowed to the realities of the time and the amendment we present, targeted for need-based, proven, and beneficial programs for higher education and elementary and secondary education, as well as a new program for math and science education, will at least allow us to take a step in the right direction.

History is not kind to idlers. The choice is up to us. By taking this small step, modest step, we will recognize the challenge, make the commitment, and began to restore our education programs. This is not a solution by any means, but it is an important first step.

In shaping our amendment for elementary and secondary education, we were guided by the principle of trying to restore program funding to the fiscal year 1980 level, as adjusted for inflation. However, after reviewing the figures such policy produces, we found it necessary to scale back our objective because the size of the increase was not fiscally possible—the spending cuts of the last 2 years are significant and cannot, and in some cases should not, be replaced in one quick move. Instead, we decided to add back, in most cases, only half of the fiscal year 1980 level. Still, Madam President, even the half restoration policy would have been more than could be realistically expected under present fiscal circumstances so we trimmed our amendment figures even further. What has emerged, in my opinion, is a carefully crafted amendment designed to improve the educational services provided to the Nation's elementary and secondary school students.

The amendment provides $500 million more for elementary and secondary programs than is contained in the budget resolution. This increase is based on the assumption that money would be added for title 1, compensatory aid for disadvantaged students; chapter 2, State block grants, handicapped education, vocational and adult education, impact aid, and bilingual education.

We followed a similar approach in providing for additional funds for higher education programs. Over the last 3 years, Madam President, funding for higher education has been reduced by 23 percent in constant dollars—32 percent if social security and veteran's education benefits are included. And, just as important, numerous policy changes have been made that have a tremendous impact on how the programs operate. The net effect, in addition to reduced educational opportunities for millions of needy students, is a general destabilization of the higher education community. With that in mind, our amendment, first of all, seeks to restore stability to the operation of higher education programs so that students, parents, and college administrators can plan with as much certainty as possible. Therefore, we reject any further policy changes and seek to maintain the programs as they are. Such changes are more appropriate when the higher education programs come up for reauthorization next year, if they need to be made.

The focus of our amendment is to restore funding to valued programs. We accomplish this primarily by redistributing to other need-based student-aid programs a savings of approximately $700 million in the guaranteed student loan program resulting from lower interest rates. Therefore, total funding for student aid for fiscal year 1984 under our amendment would increase by only $51 million—less than 1 percent—above the current fiscal year 1983 appropriations level of $6.717 billion.

Finally, our amendment seeks to provide for a new math and science program. There is general recognition and widespread consensus in the Nation that it is time to address the critical shortage of teachers in this

area, inadequacy of instruction, insufficient materials and equipment, lack of available training in new and emerging technologies, and a scarcity of funds available for math and science. Legislation is presently before committee and I am confident that we can expect passage in this Congress. Therefore we provide funding in the budget to get this much needed effort underway.

Currently, 22 percent of the teaching posts in mathematics nationwide are unfilled and five times as many math and science teachers leave the teaching profession for other jobs as leave due to retirement. The shortages for physics teachers, for example, are even more critical. Passage of the authorizing legislation and the important funds we provide in this bill are essential to reversing this serious shortage.

Madam President, I believe we have made a strong case for the additional funding we seek today. Our amendment is fiscally responsible and allows us to begin to respond to the critical needs in education. To fail to add back this modest sum, in light of all the cuts our valuable education programs have received in the last several years and in light of the clearly demonstrated need only adds to the failure that our schools are experiencing. If we want to begin the process of upgrading the education system of our Nation, I can think of no better way than to pass the amendment we offer. I urge my colleagues to join with us and vote for this amendment.

Madam President, I will have some other insertions but with these many cosponsors I want to yield to the distinguished chairman of our Education Committee, the Senator from Vermont and some of the other Senators who want to be heard on this particular score.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. STAFFORD. Madam President, I appreciate the most able Senator from South Carolina's yielding to me at this time.

Madam President, I am pleased to join with my distinguished colleague, Senator HOLLINGS, in offering this bipartisan amendment to add $1.5 billion to the first concurrent budget resolution for fiscal year 1984, to be used to increase Federal support for critically needed education programs.

Our amendment would increase education funding by $1.3 billion, or 8 percent over the fiscal year 1983 level of $15.1 billion, and would be an increase of 10 percent above the Budget Committee-reported resolution. The amendment would be an increase of 24 percent above the President's $13.2 billion education budget.

We do not undertake this amendment lightly, Madam President. During the past few years, deep cuts have been made—in real terms—in the programs which characterize the essence of our Federal education effort, namely title I of the Elementary and Secondary Education Act and the Pell grant program. In fiscal year 1980, Madam President, funding for title I, which is intended to provide compensatory education services for over 11 million disadvantaged youngsters, was $3.2 billion. Funding for title I decreased in actual terms in both fiscal year 1982 and fiscal year 1983, and the President's budget has included only slightly more than $3 billion for fiscal year 1984. The levels assumed in the budget resolution would provide for little more than level funding in fiscal year 1984, a decrease, in real terms, of more than 20 percent from 1980 levels. By allowing $3.8 billion for title I, our amendment seeks to reverse the pattern of substantial real reductions in spending for title I, and would begin to provide services to the more than 5 million disadvantaged students who are eligible for title I services, but who yet go unserved.

With respect to the Pell grant program—the principal mechanism for financial access to higher education for disadvantaged students—funding has declined from $2.6 billion in fiscal year 1981 to $2.4 billion both in fiscal year 1982 and fiscal year 1983. The resolution reported by the Budget Committee provides for a third consecutive year of funding at $2.4 billion for the Pell grant program. Our amendment would restore funding for the Pell grant program to the level authorized in the Omnibus Budget Reconciliation Act of 1981, $3 billion, which nevertheless represents a substantial cut in real terms since fiscal year 1980, especially given rising tuition costs, which have grown by more than 30 percent since that time. Our amendment would help as many as 600,000 more needy students to meet those increasing tuition obligations.

The Hollings-Stafford amendment would also provide addbacks in other essential education programs—the Education for All Handicapped Children Act, vocational education, college work-study, supplemental educational opportunity grants, and the trio programs, among others. I believe that, in particular, we must begin to meet the explicit commitment of Congress to fund an increasing proportion of school district costs for educating the handicapped: The Budget Committee-reported resolution would, by holding funding level for Public Law 94-142, result in a decline in Federal participation.

Madam President, our amendment also allows sufficient funds for the adoption of a new mathematics and science education initiative, which we are currently considering in the Labor and Human Resources Committee. I recognize that the administration would like to see modest funding of such an initiative, in the vicinity of a total of $75 million. The distinguished chairman of the Budget Committee, Senator DOMENICI, has proposed legislation which we are trying to incorporate into the bill in the Labor and Human Resources Committee, and the Budget Committee's resolution assumes the level of his bill, $230 million. Nevertheless, after the extensive hearings and discussions my Education Subcommittee has had on this subject, I am convinced that the bare minimum we need to address the many problems of mathematics and science education is $400 million. This is the amount assumed in the Hollings-Stafford amendment.

Finally, Madam President, it is particularly appropriate that we are debating this amendment to increase Federal support for education above the insufficient levels of the past few years. Last week, as we all know, the National Commission on Excellence in Education issued its report, "A Nation At Risk: The Imperative for Educational Reform." That report decried the "mediocre" state of American education, and called for numerous changes in the way our Nation approaches the educational enterprise. One thing is absolutely clear from the report, that we need to improve the status of education in our Nation and that, in order to do so, we must increase our commitment to education. This commitment must be enhanced at all levels. As Federal officials, we cannot merely say to our States and municipalities, "you must increase the length of the school day, strengthen your curricular requirements, pay your teachers more." We too have an obligation to be leaders and partners in this renewed commitment, and we must start somewhere, and soon.

Madam President, I know of no better way to invest the taxpayers' funds of this Nation than in education at all levels, from kindergarten to postgraduate and collegiate study. Education and young people are the future of this Nation. We cannot treat them inadequately or we will shortchange the future of the United States.

Therefore, Madam President, as a necessary step toward this renewed commitment to education in America, I urge my colleagues to adopt this amendment.

Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Madam President, I am very pleased to be a cosponsor of the amendment submitted by the Senator from South Carolina (Mr. HOLLINGS) that would add $1.5 billion to the level of funding for education in the Senate budget resolution.

Late last year a U.S. Chamber of Commerce/Gallup survey of public opinion found that 64 percent of those surveyed favored more Federal spending for education and training. That represented an increase of 15 points over the 49 percent who wanted more Federal spending in this area just 2 years ago. This dramatic change is encouraging and heartening news for those of us who champion the small, but vital role which Federal aid plays in education. It is also significant support for the amendment that is before us today.

Madam President, passage of this amendment would send a strong and positive signal to the American people. It would demonstrate clearly that education is an important and high priority of this Congress. It would also show that our concerns are not narrow, but that they reach to every aspect of Federal educational aid.

I am particularly encouraged that this amendment does not favor one type of education over another, or pit one educational group against another. It is a comprehensive amendment that recognizes the need for additional assistance in every area, from aid to children from economically disadvantaged families at the elementary and secondary level to aid for school districts heavily impacted by the presence of Federal installations, from student aid at the postsecondary level to vocational and adult education, and from aid to handicapped children to a new initiative to improve mathematics and science instruction in our Nation's schools.

If passed, this amendment could mean an additional 500,000 student awards to young men and women seeking a college education, serving an additional 1.2 million young children in the chapter I program of educational assistance to children from economically disadvantaged families, and impact aid to an additional 2,000 deserving school districts.

Madam President, the benefits that could be derived from passage of this amendment are considerable, and I would hope my colleagues could join me in supporting it.

Mr. BRADLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. BRADLEY. Madam President, I am proud to join with Senator HOLLINGS and Senator STAFFORD in offering this amendment to restore $1.5 billion for the elementary and secondary and higher education programs. This increase in funding will insure that we will be providing minimally adequate funding for these high priority education programs. Our amendment assumes that this additional funding will be allocated for the following programs: $200 million for elementary and secondary education for chapter 1 aid to the disadvantaged, chapter 2 State block grants, handicapped education, vocational education, impact aid, bilingual education, and increased funding for a science and math initiative; $800 million for higher education for Pell grants, SEOG, college work study, NDSL, SSIG, TRIO, title III, and university research.

Madam President, over the past 3 years almost all of these programs have undergone significant spending reductions and policy changes that seriously harm the goals we seek to accomplish in educating the young people of our Nation. We are attempting today to reverse that trend—to restore funds to these proven programs and to restore some stability and certainty to their operation.

In 1980, we spent $7.2 billion for elementary and secondary education programs. This budget proposes holding fiscal year 1984 funding to $7 billion and freezing education spending at this lower level for the next 5 years. Make no mistake about it. These proposals represent a clear and fundamental shift in Federal priorities, a shift that I cannot and will not support. We propose to partially compensate for the erosion that inflation has caused by providing $700 million more for these programs. This would only offset part of the loss due to inflation.

Madam President, we all know that Federal aid for higher education is as good as any investment we can make to keep our leadership position in the world. In 1981, we provided nearly $7 billion in aid to higher education, primarily for student assistance programs. Since then, we have pared these programs to the bone. We have seen 1 million students cut out of the guaranteed student loan program. In New Jersey, there has been a 35-percent drop in student loan volume. The Pell grant program has been reduced sharply by several hundred thousand students and grant awards have been cut. And research grants to higher education institutions have been pared back as well.

This is simply not the time to make further cuts in higher education. Since 1980, student aid funding has been cut in real terms by a third, while tuition at State universities has risen by a third. And in some cases, the jump in tuition costs has been a good deal higher. At Rutgers, for example, tuition has increased by 80 percent since 1979. Enough is enough. It is time to reverse the declining trend in student aid.

Our amendment would restore $0.8 billion for higher education programs, primarily for student aid. The amendment would set funding for need-based student assistance programs about 15 percent above the 1980 level, thereby only partially restoring the purchasing power of the student aid dollars that have been eroded over the past 3 years. In addition, funding would be increased for higher education research activities to help universities rebuild their declining research base.

Madam President, last week the National Commission on Excellence in Education reported that something is seriously remiss in our educational system. I quote from the Commission report:

Our Nation is at risk. Our once unchallenged preeminence in commerce, industry, science, and technological innovation is being overtaken by competitors throughout the world. This report is concerned with only one of the many causes and dimensions of the problem, but it is the one that undergirds American prosperity, security, and civility. We report to the American people that while we can take justifiable pride in what our schools and colleges have historically accomplished and contributed to the United States and the well-being of its people, the educational foundations of our society are presently being eroded by a rising tide of mediocrity that threatens our very future as a Nation and a people. What was unimaginable a generation ago has begun to occur—others are matching and surpassing our educational attainments.

If an unfriendly foreign power had attempted to impose on America the mediocre education performance that exists today, we might well have viewed it as an act of war. As it stands, we have allowed this to happen to ourselves. We have even squandered the gains in student achievement made in the wake of the Sputnik challenge. Moreover, we have dismantled essential support systems which helped make those gains possible. We have, in effect, been committing an act of unthinking, unilateral educational disarmament.

Our society and its educational institutions seem to have lost sight of the basic purposes of schooling, and of the high expectations and disciplined effort needed to attain them.

The world is indeed one global village. We live among determined, well-educated, and strongly motivated competitors. We compete with them for international standing and markets, not only with products but also with the ideas of our laboratories and neighborhood workshops. America's position in the world may once have been reasonably secure with only a few exceptionally well-trained men and women It is no longer.

The risk is not only that the Japanese make automobiles more efficiently than Americans and have government subsidies for development and export. It is not just that the South Koreans recently built the world's most efficient steel mill, or that American machine tools, once the pride of the world, are being displaced by German products. It is also that these developments signify a redistribution of trained capability throughout the globe. Knowledge, learning, information, and skilled intelligence are the new raw materials of international commerce, and are today spreading throughout the world as vigorously as miracle drugs, synthetic fertilizers, and blue jeans did earlier. If only to keep and improve on the slim competitive edge we still retain in world markets, we must dedicate ourselves to the reform of our educational system for the benefit of all—old and young alike, affluent and poor, majority and minority. Learning is the indispensable investment required for

success in the "information age" we are entering.

Madam President, I agree with the concerns raised by the National Commission on Excellence in Education. President Reagan says he also agrees with the Commission's findings. But, somehow, the President has concluded that the Commission report helps to justify his position that the Federal role in education should be dramatically curtailed. Does the Commission report justify further cutbacks in Federal education programs? I have come to just the opposite conclusion: We need to increase public support for education at all levels—Federal, State, and local—if we are to continue in a leadership position in the world.

In summary, Madam President, since 1980 there has been a clear and fundamental shift away from our longstanding Federal commitment to education. Most of the Federal aid to education programs have been cut back in real terms by about 25 percent, and many have been cut back even further.

We continue this trend at our own peril. The student we do not educate today becomes the nonworking, nonproductive member of society tomorrow. We cannot afford this to happen in economic terms or in social terms.

Education programs should not be cut back any further. I believe the 98th Congress should significantly increase aid for current education programs and develop new ones to address the needs of students, schools, teachers, and the Nation.

Less than 2 months ago the Senate overwhelmingly, by a vote of about 82 to 10, adopted a resolution that I introduced opposing any further cuts in education programs. Adoption of that resolution was the first step in reversing the decline in Federal education aid. But it is now time to press ahead, to restore funding for high priority education programs.

Madam President, this amendment is a step in the right direction, a step this country must take in order to maintain our position in the world. But, Madam President, I would take it even further. Not only do we need adequate funding for education in order to compete effectively in an increasingly competitive world environment, but I think the assistance for education of all of our children is essential to our own self-concept—of how we think about ourselves.

Should we say "No" to the handicapped student? Should we say "No" to the student who happens to be growing up in an inner city where the tax base is not sufficient to support local revenues?

Madam President, education has been the means in our society for at least the past 50 years, if not longer, for moving up the ladder of success.

There is great rhetoric about how we want to compete, how we want a marketplace, how we want to make sure that we can test our skills against each other in that free marketplace. But, Madam President, if we do not provide an educational system that can equip people to compete in that marketplace, our students will be disadvantaged from the beginning.

Madam President, in schools across this country there are dedicated, hard working teachers who are busy trying to provide the best possible education. And we need to provide teachers the means to walk the extra mile for the inner city student or to walk the extra mile to create a creative program to reach the specially talented or handicapped student. If we do not provide adequate funding, we not only deprive teachers of the means to work in their profession, but we also deprive a generation of Americans who happen to be at a certain economic level or located in a certain geographical region the opportunity to move up that ladder, which we in this country believe is essential to our self-concept as Americans.

So, Madam President, I argue that we should put some meat back on the bones. We need to restore funding for these valuable programs. We need to insure that future generations can compete in the marketplace by assuring that students receive an adequate education.

Mr. SYMMS. Will the Senator yield?

Mr. BRADLEY. Madam President, this amendment does that. I urge my colleagues to support it fully.

Mr. SYMMS. Will the Senator yield for a question,

Mr. BRADLEY. I shall be pleased to yield the floor.

Mr. SYMMS. Madam President, who has the time?

The PRESIDING OFFICER. The Senator from South Carolina has the time.

Mr. HOLLINGS. They have plenty of time. I yield to the Senator from Delaware.

Mr. BIDEN. I would be happy to answer the question.

Mr. SYMMS. Maybe the distinguished Senator from Delaware can answer the question. When I read "This Nation at Risk" report, there is no mention that cost is a problem. The fact is that some of our skills have evidently gone down since we spent more Federal money. What kind of a lesson do we teach the schoolchildren of America when we have a $200 billion plus deficit and we are going to add another billion and a half dollars to it? If more money is a question, why are we stopping at a billion and a half dollars? Why not go to 5, 10, or 15?

Mr. BIDEN. Let me try to answer that question for the Senator, Madam President. I think we are probably teaching the young people of America a practical art of politics, because if we were going to teach them economics, we certainly would not be considering the President's budget, which calls for deficits exceeding $200 billion for a number of years to come. Fortunately for us, both the Republicans and the Democrats believe that the President's budget does not make a lot of sense, so we are, hopefully, trying to rewrite the lesson. We are practically trying to deal with a President who does not understand economics, if I may respectfully suggest.

What we are trying to do is come up with a means whereby we find the ability, until the President sees the light a little more, of keeping programs which are vitally essential from crumbling completely before us while we regain the consensus in this Chamber to be able to turn around what has been an erosion of support for education.

I think it is a very appropriate lead into the comments I should like to make, and I shall be brief.

I think it is important that we keep our eye on the ball here, Madam President. This is not about $1.5 billion; this is not about a 25-percent cut in education. This is not about whether or not we are going to marginally help higher education. This is a basic philosophic concern and difference of opinion between a President who, if he had his druthers, would have no Federal involvement in education, and a longstanding commitment that this Nation has made, this body has made, and previous Presidents have made, that the Federal Government can, in fact, have an impact and should, in fact, be involved.

What we are arguing about is $1.5 billion or maybe what we are really arguing is about the difference between $1.5 billion and $400 million that I am told is going to be a substitute offer. The real fundamental argument here is whether or not the Federal Government has a constructive role and an obligation to be involved.

The President says to us that, in fact, the reason why the report is so scathing is that the Federal Government has been involved. He offers that as proof positive that we should not be spending the money on education at the Federal level. We all know very well that even the amount of Federal money spent in the heyday made up a relatively small portion of the amount of money spent on all of education in the States and the local municipalities.

The fact of the matter is, that where we are now, is determining whether or not those areas where the Federal Government got involved—because the States did not get involved; because the States did not take the lead; because the States, with rare exceptions, did not feel that it was the obligation of the States to protect the handicapped; because they did not feel it

was an obligation to fashion programs for minorities; because they did not feel it was the obligation of the States to take care of the students with particular talent. We came along on the margins, if you will, years ago and said we should be involved.

We made mistakes.

Mr. DOMENICI. Would the Senator yield?

Mr. BIDEN. I shall be happy to yield.

Mr. DOMENICI. Why is this an argument about whether or not we are going to help with education or, as the Senator has stated it, whether we are for a President who, he states, is against helping, when, as a matter of fact, the issue is a Senate budget resolution number arrived at with bipartisan support, that had $7.2 billion in elementary and secondary, which was only 9 percent more than last year? I submit the issue is whether 9 percent is enough, not the issue the Senator is describing.

Mr. BIDEN. I think, if the Senator will let me answer the question, the philosophic difference is not one that exists between the Senator from New Mexico, chairman of the committee, and the Senator from Delaware. That, in fact, has been accurately described by the Senator, as to how much. The debate that has been taking place, I submit to the Senator, the one that is contained in surrounding the report, is what is the role of the Federal Government in education? So, in order to be able to justify, I argue, the increased amount of $1.5 billion—which, if we had our way, most of us on this side would be arguing should be more—I think it is important that we state for the record and make it clear why the Federal Government is involved in the first instance and why the Federal Government should; in fact, go beyond what we are doing now.

The Senator from New Jersey is asking me to yield. I shall be happy to yield for a comment or question.

Mr. BRADLEY. If I could respond to the distinguished chairman of the committee, he seemed to imply that, because there is bipartisan support for an action in the Budget Committee, when it came to the floor, it could not be challenged. I would say, by that same analogy, there should be no change in the revenue numbers on the floor.

I know the Senator did not mean to say that, so I think it is important to point out that, just because something comes out of the Budget Committee does not mean that a bipartisan group such as represented on this amendment might not want to change it on the floor of the Senate.

Mr. DOMENICI. Will the Senator yield?

Mr. BRADLEY. That is precisely what we are trying to do with this amendment.

Mr. BIDEN. I shall be happy to yield.

Mr. DOMENICI. I say to my good friend from New Jersey, that is precisely what I said, that the Senator is privileged to amend for a very significant increase what is already before us, but I thought the Senator from Delaware said that was not the issue, that the issue was philosophical.

I did not understand it to be philosophical in terms of whether or not to have a 9-percent increase in elementary and secondary education, as already before us, voted by the committee, to which they want to add some money. I thought that was a question of how much money we want to spend, not philosophic.

Certainly, it can be amended and the fact that it is bipartisan on the floor does not mean that it is not wrong and that some do not want a different priority. I just mean to say I did not think the issue was philosophic on the floor.

(Mr. GORTON assumed the chair.)

Mr. BRADLEY. Does the Senator from Idaho feel that?

Mr. BIDEN. That is what I was about to say.

I was responding to what I believed to be, and I may be incorrect, a difference of philosophy between the Senator from Idaho and myself on the role of the Federal Government in education and what I deeply believe and I think have clearly stated is the difference between the President and myself and those who are offering this amendment on the philosophy of the role of the Federal Government.

So I may yield the floor to my colleagues who would like to speak to this, of which there are many, including the Senator from Idaho—he does, I think, have a different philosophical point of view and I think the Senate has a right to hear it and an obligation to listen to it—let me point out to my colleagues a few things.

EDUCATION: A FOUNDATION FOR EXCELLENCE

Mr. President, the budget of any administration is much more than a compilation of figures on a balance sheet. It represents the key to what the administration is trying to accomplish—it is a statement of the values, ideals, and priorities of that administration. In short, the budget submitted by a President suggests, in concrete terms, exactly what he believes this Nation ought to be focusing on.

On numerous occasions during the past decade, I have maintained that any education budget must assure two important needs: First, funding is supplied so that our educational institutions are able to teach skills that will keep the United States competitive in a rapidly changing world economy; and second, there is sufficient funding to assure that all people in our society will have the opportunity to receive a quality education.

I regret that none of the budgets submitted by President Reagan thus far meets either of these critical needs. In fact, the budgets submitted by this administration deny that there is even a Federal interest in assuring that the youngsters of this Nation, our future leaders, receive a good education.

I find this utterly incredible given this administration's rhetoric that we are falling behind the Soviets in military strength. If we adopt the Reagan budget proposals, just who do they think will man the sophisticated weapons the President would like to purchase to meet this threat? If we adopt their proposals who do they think will develop new technology, or manage tomorrow's businesses?

The President says he recognizes the fact that our economy has had difficulty in adjusting to and keeping up with changes in efficiency and productivity that are sweeping through the industrial sectors of our competitors abroad. But the Reagan budget does not recognize that American education must be bolstered and supported so that young Americans will have the skills necessary to help America compete; and that this is a national responsibility.

If there be any doubt as to the President's intention to completely wash his hands of any Federal involvement in education, we need look no further than his comments at the news conference held last week to announce the release of the report of the National Commission on Excellence in Education. Rather than pledging his best effort to address the very real problems identified in the report, President Reagan used the occasion to repeat his usual statements that the Federal Government has no responsibility for educational excellence, and his belief that the only way to educational excellence is through such steps as vouchers, tuition tax credits, school prayer and the elimination of the Department of Education. An occasion meant for discussing our commitment to solving the serious educational problems of our country was turned into nothing more than a political charade.

If President Reagan had read the entire report, he would have found that it contains a strong statement of the national interest in educational excellence, and the Federal Government's responsibility in fostering that interest. Let me quote from the report:

> The Federal Government, in cooperation with States and localities, should help meet the needs of key groups of students such as the gifted and talented, minority and language minority students, the socioeconomically disadvantaged and the handicapped.

In addition, we believe the Federal Government's role includes several functions of national consequence that States and localities alone are unlikely to be able to meet: protecting constitutional and civil rights; collecting data . . . and information . . . supporting curriculum development and research . . . supporting teacher training in areas of critical shortage or key national needs; and providing student financial assistance . . .

The Federal Government has the primary responsibility to identify the national interest in education. It should also help fund and support efforts to protect and promote that interest.

These goals and ideals are not reflected in any of the administration's education budgets. I supported congressional rejection of the President's education budget last year, and I will vote to reject it again this year. By denying the administration's proposed cuts, the budget resolution reported by the Senate Budget Committee takes a good step in the right direction, but it is not enough.

That is why I am cosponsoring the Hollings-Stafford amendment.

This amendment would add $1.5 billion to the Budget Committee's resolution for education. We propose to add $500 million for critical elementary and secondary education programs such as title I and Public Law 94-142. We propose to add another $200 million to fund a new program designed to meet this Nation's critical shortage of math and science teachers. And we propose to add $800 million for important student assistance programs such as Pell grants and direct loans. Most of that 800 million, could be funded by redistributing approximately $700 million of savings in the guaranteed student loan program resulting from the decline in interest rates. In fact, our amendment would fund student aid for fiscal year 1984 at a level of only $51 million above that actually appropriated for the current fiscal year.

Ours is a fiscally responsible approach to perhaps the most critical problem facing our Nation today. Even if our amendment is adopted, the student aid budget would be increased by less that 1 percent over the amount actually appropriated in fiscal year 1983, while providing aid to many thousands of additional students. By passing this amendment, the elementary and secondary education programs that are so critical in laying the foundation for our future economic and military security will receive needed increases in funding, but we would still have replaced only about one-half the purchasing power lost by these programs due to earlier Reagan cuts. Furthermore, more than one-half of all students eligible for title I services will still be unable to receive them. Finally, the Federal Government will still be picking up only about 10 percent of the cost of the Federal mandate that handicapped children receive an appropriate education. Hardly a case of excessive Federal involvement in education.

In conclusion, Mr. President, I recently viewed a commercial on television. This particular commercial depicted a young boy in the cockpit of a fighter plane, followed by another youngster in front of a computer terminal, and the final scene showed a third youngster at the desk of a corporate executive. All of the shots showing the children in these various modes were designed to show today's children in the military, technological, and business leadership roles we hope they will assume someday. The narrator concludes the commercial by telling us, "Education is the one thing we have that is important to everything we have."

Mr. President, truer words were never spoken. Education is the one thing we have that is important to everything we have. I respectfully submit that the funding at the Federal level is not sufficient to protect everything we have.

I urge my colleagues to support the Hollings-Stafford amendment.

I thank my colleague from South Carolina for yielding. He has been a leader in the area of education not only in the Senate but when he was Governor of the State of South Carolina. I am pleased and happy to be a cosponsor.

I thank my colleagues, Mr. President, and I yield the floor.

Mr. HOLLINGS. I thank my distinguished colleague.

Mr. SYMMS addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, I yield Senator SYMMS as much time as he desires.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. SYMMS. I thank the distinguished chairman for yielding. I appreciate the concern expressed by my colleagues who are in support of this amendment.

The Senator from Delaware poses some very, very interesting questions. He made the point, and I think he made it very well, about how many of our State legislatures have been jumping in and filling the gap in some of these programs left by less Federal dollars that might have been available since we have had the budget squeeze. But I think we first must look at it in perspective.

The Federal printing presses printed dollars night and day for years and years, and spent and spent. There was no end to it—the philosophy was to just inflate the currency, kick the people into higher tax brackets through inflation of the currency; there would always be more dollars for the Government to spend and everything would work out forever.

Well, finally it came to the point that the people who were lending money wanted higher interest rates because they could see such dollars were declining in value after years and years of this type of philosophy.

What then happened was we suffered a recession. I do not lay the blame of that recession on the other party necessarily or on either the President or past Presidents or necessarily past Congresses but on the policy that came from Washington. However, I might say to my friend from Delaware that it was his party that was in control of the Congress for years and years that helped create this environment.

The President of the United States inherited a very difficult economic situation. As long as that situation exists in this country, we are going to find out that it will be difficult for our State legislators to come up with enough dollars to satiate the demands and the needs of public education.

Mr. BRADLEY. Will the Senator yield on that point?

Mr. SYMMS. I yield very briefly for a question.

Mr. BRADLEY. The Senator seems to be saying that we cannot afford to spend the money to educate our children.

Mr. SYMMS. That is not——

Mr. BRADLEY. But we can afford a massive defense increase and we can afford to give away the store in tax cuts.

As the Senator looks over the next 5 years, the tax reduction bill of 1981 will add $860 billion to the deficit. The defense spending increases will add $285 billion to the deficit. In that same period of time we will have cut nondefense spending $387 billion.

Mr. SYMMS. I thank the Senator very much——

Mr. BRADLEY. I suggest to the Senator that when he starts to argue about what causes deficits he remember that taxes and spending are like two blades of a pair of scissors; they are both necessary to cut the paper; both taxes and spending cause deficits.

Mr. SYMMS. I thank the Senator very much. I thought he was going to ask a question. I appreciate his point of view on that, but I only say to the Senator that I put in the RECORD in debate yesterday or the day before figures to show that the Federal revenues have increased each and every year since 1976 except for fiscal year 1983. It is projected that they may be $4 billion or $5 billion less than the preceding year. And they are going to continue to track up with the current policies.

For us to stand on this floor and say that the reason we have deficits is because of any tax bill that has been passed when the Federal Government is taking in more money each and

every year than it was the preceding year simply will not stand up under the light of careful inspection because revenues are increasing on an annual basis to the Federal Treasury. The problem is Federal spending has been increasing at a rate much faster than the Federal revenues. We really should not confuse apples with oranges.

The Senator is saying that we should balance the budget by raising taxes. We would have to raise taxes by 20 percent in order to balance the budget because we are now taxing the public at a rate of around 19 percent of the gross national product, where the Federal Government is spending about 25 percent of the gross national product.

The difference between 19 and 25, is about 6 percent which would cause a 20-percent increase in taxes. I do not think that the public would put up with it, nor do I think the economy could stand it. Then I think education would be much worse off.

What we are talking about doing is adding $1.5 billion. This Senator probably would vote for the amendment if somehow I would be assured that the money would go to the teachers of the country, particularly those teachers in the first through the sixth grade, who can get people off to a good start. There is no assurance that this money will go for teachers' salaries. Instead we are going to throw money at the problem and add $1.5 billion.

I say to the Senator from South Carolina that if $1.5 billion is good and will improve the educational quality of the country, why not make it $3 billion, if it is for a good cause?

I think the Senator from New Mexico made an important point: We actually increased the dollars in this budget over last year, and now we are talking about adding more to it.

If somebody could guarantee that the money would go to teachers, it might be worthwhile. But that has not been the record since the Federal Government has become involved in education.

What happens is that we have more bureaucracy in education and more programs, so that people on the banks of the Potomac tell the people on the banks of the Missouri River or the Snake River how to run their schools. I have not seen that the money goes to raise the teachers' pay in the classrooms where the real education takes place.

I may be mistaken, and it may be an old-fashioned idea, but I believe that education in this country takes place between the teacher and the student. All this other stuff that goes on with the Federal Government or other bureaucratic levels does not actually seem to do much for increasing the viability, the credibility, and the quality of the education that takes place.

That, I think, is the point our President is making. For someone to stand in this Chamber and criticize and say that the President is trying to emasculate education in the country is simply not the case.

I looked through the Commission report, and I am sure people will quote it. The Senator from Delaware quoted it. The Commission came up with not necessarily a cost finding, but on page 21 it points out:

(1) Compared to other nations, American students spend much less on school work; (2) time spent in the classroom and on homework is often used ineffectively; and (3) schools are not doing enough to help students develop either the study skills required to use time well or the willingness to spend more time on school work.

I come back to the point I am making: The emphasis in education needs to be made at the lowest level closest to the students, not in Washington, where money gets lost with administrators, gets lost with program allocators, gets lost with people who dream up schemes of how to do it. The actual education takes place between student and teacher in the classroom.

I am one of those in this Chamber who have been critical of the deficit. I think it is absolutely outrageous that Congress has been unable to come up with a more fiscally sound budget than we have.

So far as defense spending is concerned, historically through the 1970's, the commitment that the Federal Treasury has made and the Federal Government has made to the Nation's defenses has consistently declined. The commitment to education has consistently gone up.

I think dollars could better be spent if left at home or given out in block grants. We should get back to the idea that people take care of their own educational responsibility.

What we are doing is trying to load on a couple of more bales. The Senator has been to the fairs and has seen the horses. What we are talking about is loading on a few more bales for the team to pull. When you get it down to where the horses cannot pull any more, they stop. And that is exactly what happens.

All these noble ideas—that if you throw money at it, you can help solve some kind of problem. But we should not measure our commitment to education based strictly on how many dollars we put to it.

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

Mr. SYMMS. I yield.

Mr. GRASSLEY. The Senator from Idaho raises a point about spending enough money for education. I think it would be quite an accomplishment if we could reach a point where we say enough is enough.

The Senator and I served in the other body together, and, invariably, every appropriations bill that came up on Labor-HEW, regardless of how liberal that appropriation was, was subject to an amendment to spend more for education. In 1977 and 1978 there were dramatic increases in appropriations for education programs, yet there was never a point where enough funding was provided for education.

What is that magic appropriations figure out there that would solve all our problems? If we could determine that, it would be a tremendous contribution to the process.

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

Mr. SYMMS. I say to the Senator from Iowa that it depends on whom you ask that question. If you ask the National Education Association lobby, which is one of the largest and most powerful unions in the country, you never could spend enough. If you took all the gold in Fort Knox, it would not be enough. There never would be enough.

If you ask someone out here who already has his education, maybe he would say, "Enough is enough, once they got me through, and now we want to back off a little."

The Senator asked the right question. There has to be a recognition that in educating future captains of industry, future workers in America, future soldiers of this country, we have to make a commitment to educate those people if we want to continue to be the leader of the free world. But spending 9 percent more than we spent last year, at a time when we do not have the 9 percent—we are not talking about a country that has all the money in the world. We are talking about a country with a trillion dollars less than nothing in the Federal Treasury.

The fact is that we have to pay approximately $100 billion in interest just to pay for our past indiscretions, so far as spending is concerned, and now we are talking about adding another $1.5 billion at current interest rates. That would be $15 million or $20 million interest a year.

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

Mr. SYMMS. I yield.

Mr. GRASSLEY. First, I do not find myself in opposition to what the Senator from Idaho is saying. I think debate on this issue should legitimately focus not only on the amount of money that should be spent on education, but also on how that money is going to be spent.

If we continue to do things as we have in the past, based on the report from which the Senator was quoting, more money alone will not improve the quality of education in this country.

There have to be some basic reforms. This issue is not too much different than the defense budget. We

are spending more now on defense than ever before, yet getting less for our money. We must enact major reforms in the bureaucracy of education, as well as in the bureaucracy of defense. Otherwise, we will not be able to insure that we are getting our money's worth at whatever level of expenditure.

Mr. SYMMS. I thank the Senator. I appreciate his point.

I know the Senator from Iowa, and I have known him for many years in the other body. I know he personally has taught in the classroom and knows something about what we are talking about here.

Just throwing more money at the classroom, if the methodology, the direction, and the emphasis of education does not change, is not going to change the empirical ability of the students to be more capable once they have graduated or passed their educational level.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. HOLLINGS. I yield time.

The PRESIDING OFFICER. Does the Senator from South Carolina yield?

Mr. HOLLINGS. Yes. I yield to the Senator from New Jersey.

Mr. BRADLEY. Mr. President, I wish to respond briefly to the Senator from Idaho. I found his dialog with the Senator from Iowa interesting because the hidden assumption in their discussion seems to be that if you spend more, you are going to get less, and that if you spend more, it does not really mean anything.

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

Mr. BRADLEY. Not at this point.

I ask the Senator to try to move beyond the rhetoric to real life situations. The Senator comes with me to a school in the center of Newark or Paterson or Camden, N.J., where we have very serious remedial education problems, where there are no moneys from property taxes or State revenues to adequately provide teachers for remedial assistance.

Local revenues are primarily used to keep the plant functioning, and it is the Federal aid that we provide that allows the schools to hire remedial teachers and teachers' aids to sit down with the kids who cannot read and go over and over and over their schoolwork so that those kids will learn to read.

So do not tell me about rhetoric.

Or take the school where we have an incredibly talented student in the first, second, third, fourth, fifth, or sixth grade that the Senator was concerned about, but the regular curriculum of that school is aimed at the median. You get a teacher that is sensitive. The teacher tries to take care of it and stimulate the student but you have in every class a special few who are particularly bright who need to be challenged at their level and who cannot be challenged at their level if the teacher is dealing with 25 students. Therefore, you have a special need and indeed Federal aid goes to meet that special need.

So do not tell me about how you would vote for the amendment if the additional aid would go to the teachers. Where does the Senator think it is going to go? The bulk of Federal aid is going to go for teachers and teachers' aids.

Mr. SYMMS. Mr. President, the Senator is missing the point. If the Senator is correct in his assumption, why are we stopping at $1.5 billion? That is the point of the Senator from Iowa. Where do we draw the line?

Mr. BRADLEY. The Senator I think raised a good issue.

In 1980 we spent $7 billion on these programs. These programs in real terms have received about a 25-percent cut in real terms since 1980, and meanwhile we are giving maximum rhetoric to what we have to do to educate our children to compete in the world economy and giving maximum rhetoric how we want this to apply to all our children.

This amendment is more than rhetoric. We have to get the means to educate children, and that is what this amendment does.

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

Mr. BRADLEY. I yield back to the Senator from South Carolina.

Mr. HOLLINGS. I yield.

Mr. CHILES. Mr. President, I wish to join in and associate myself with the remarks of the Senator from New Jersey and the Senator from South Carolina.

We were just looking at a commission report, a study that went on for several years, that said that we have a disaster on our hands in regard to the education of our young people, that we have taught them something about reading, we went into remedial reading, but they do not know how to think. We taught them something about remedial math, but they do not know when to multiply, and they do not know when they should use it.

So we have a situation in which we are falling farther and farther behind and we see that in the percentage of engineers that we are graduating in real terms and not in averages. Even though our population is so much greater, we see the Germans and Japanese send more kids to engineering school and more kids in their scientific and technological education in actual numbers than we are sending.

What happened to us? One reason we cannot respond is we do not even have the teachers now for math. We do not have the teachers for science. Why not? It is because industry is taking those teachers faster than we are producing them. We are eating our seed corn. No farmer does that. He knows that is foolish and that is ridiculous.

But we are doing that and so now we are passing a number of bills. Everyone in here has a bill or is on a bill for science and math to do something about it. I have one. Everyone else is working on one.

Are we just going to have a bill? Are we going to do it without any funds?

We spend less than 10 percent of the educational dollar, about 7 percent in the elementary and secondary education. The States spend the rest.

What do we get for our dollars? We encourage education to the disadvantaged. There were not any real programs of education to the disadvantaged until the Federal Government got into it. There were no programs really for the handicapped until we got into it. There were no programs that were even alleviating some of the problems again caused by Federal courts in regard to segregation and in regard to integrating the schools until the Federal Government got into it.

Our money is the trigger money. Our money is triggering money that the States are spending more. And Commissioner Bell is now talking about the States are going to have to pick up the bulk of the money for this new educational program. They will have to. But we have to be willing to provide some of the trigger money, and that is how I see this money we are talking about. It is inducement money. It is trigger money. It is going to be leveraged over 10 times that we are talking about, and we are talking about moneys that we are adding in the resolution itself. Under the Domenici mark we provided a tiny amount in 1 year, but then we did not go forward with that commitment into the outyears, There was a freeze in the outyears.

So if you look and see what that freeze does in the outyears, as the Senator from New Jersey pointed out, we are going to see a decline going on. Obviously, we are not talking about big, big money here. We cannot. We have a tough situation.

But to take the kind of Commission report that we now have to see the disaster that we have on our hands in regard to science and technical education and to recognize that we are all talking about bills and we are putting in bills on that and then to say we are not going to put in any mark for that, we are not going to recognize any mark for that, I think that would be the height of folly.

There are programs like education of the disadvantaged and education of the handicapped, where the number of children served is directly related to Federal funding. So if we freeze these

programs or if we provide a fraction of the cost, we are simply saying to disadvantaged children, "You will not get a chance to participate in the mainstream."

What will happen is we will pick that up somewhere else. We will pick it up in our welfare rolls. We will pick it up in our prison rolls. We will pick it up somewhere else. It is not going to be free to us. It is going to be a heck of a lot easier if we try to give that child an education so he can go out and do something for himself than if we just turn our back on this function.

I hope that the body is going to respond to this amendment.

Mr. HOLLINGS. Mr. President, let me yield to the distinguished Senator from Tennessee.

Mr. SASSER. Mr. President, I thank the distinguished Senator from South Carolina for yielding.

Mr. President, I rise today to support the amendment of my able friend, the distinguished Senator from South Carolina (Mr. HOLLINGS). This amendment represents an important step forward on the education front. It reaffirms the strong Federal commitment to education that is essential to reinvigorating the economy and turning, to quote the words of the bipartisan Commission that just gave us a very alarming report on education of this country, the "tide of mediocracy that threatens our very future as a nation * * *."

In his budget, the President proposed severe funding cutbacks in education programs including vocational and adult education, the Older Americans programs, and outright elimination of the community services block grant. This comes at a time when unemployment is at the highest levels since the Great Depression. These cutbacks are unwarranted and counterproductive. During Budget Committee deliberations on this function, I offered an amendment which would have increased funding levels in these programs as part of an overall strategy to enhance job training and employment. That amendment was defeated by a vote of 8 to 12. I believe the Senator's education mark presented here will garner the requisite number of votes to pass and I applaud his efforts, and add my voice in support.

I join today with many of my colleagues here in this Chamber and many of our countrymen all across this land in expressing very serious concerns over the crisis surrounding the deterioration of this Nation's math and science education programs.

This is not a Republican problem, it is not a Democratic problem. It is a national problem, it is a problem of the United States of America and its people. It requires full bipartisan attention.

I would liken the situation we find ourselves in today to the crisis that we faced when the Soviet Union launched Sputnik in 1957, and this graphically illustrated the need for increased mathematical skills, for increased studies in science and other technical skills that are necessary in the last half of the 20th century.

A disturbing truth today is that the average achievement of students on most standardized tests is now lower today than it was 26 years ago when Sputnik was first launched.

I think it is absolutely appalling that in this country which prides itself on pluralism and individual freedom and promises that "all are entitled to a fair chance and to the tools for developing their individual powers of mind and spirit to the utmost," that in a country that makes these promises, 23 million adult Americans are functionally illiterate, 13 percent of all 17-year-olds are functionally illiterate, and 40 percent of the minority youth in this country today are functionally illiterate. Well, we have an opportunity here, I think, to convert challenge to opportunity.

The amendment that is offered by the distinguished Senator from South Carolina permits the Federal Government, in cooperation with State and local governments, to meet the needs of the diverse groups of students in our elementary and secondary schools and our institutions of higher education. In light of the large national stake involved, it is not unreasonable for the Federal Government to increase funding in this area by a mere 9 percent, especially at a time when many States are experiencing severe fiscal strains as a result of Federal funding cutbacks.

Over the past 3 years there has been a serious deterioration in educational services precipitated by these funding reductions. For example, student aid has declined over 23 percent in real dollars and chapter I basic grants has sustained a 22-percent real dollar reduction during the same period. If funding for education programs had remained constant during this period, the appropriation for fiscal year 1983 would have been $20.1 billion rather than $15.1; moreover, when adjusted for inflation in 1980 dollars the fiscal year 1984 budget proposal would have been $21.1 billion rather than the budget resolution proposal of $14.9 billion.

In the chapter I program, funding for education for disadvantaged children, the reductions have been dramatic. When adjusted for inflation using 1980 dollars, the constant funding level would have been approximately $500 million more than is being proposed in this amendment and $1 billion more than contained in the budget resolution. According to the National Institute of Education, elementary school students participating in chapter I gained 7 to 12 months in reading achievement and 11 to 12 months in math achievement for each year in the program. Furthermore, a recently released study administered by the education commissions of the States found that disadvantaged youngsters and low-achieving students made considerable gains, especially in elementary school, and ascribed the gains to the chapter I program.

This amendment also provides $400 million for math and science education, some $200 million more than that contained in the budget resolution. A New York Stock Exchange study released early this year found that the single most important factor in Japan's high productivity is the high quality of Japanese elementary and secondary education. Moreover, testimony before the Subcommittee on Science, Technology, and Space described the new mathematics and science curricula developed in the Soviet Union and emphasized that "a dangerous gap exists between our educational standards and those of the Soviet Union."

Years ago, the British Economist Alfred Marshall stated that "the most valuable of all capital is that invested in human beings." In that spirit, I urge my colleagues to join me in supporting this amendment as an investment in the future.

The PRESIDING OFFICER. The opponents of the amendment have 43 minutes and 40 seconds remaining.

Mr. DOMENICI. I yield 10 minutes to the Senator.

Mr. GORTON. Mr. President, both through the 30 minutes during which I presided and since then it has been my pleasure to listen to this debate and to reflect upon it. It is a curious debate for perhaps one frivolous reason and one much more serious reason. The frivolous reason is I am somewhat bemused in the sponsorship of the amendment by the Senator from South Carolina who yesterday proposed a budget which would have cut $600 million from the education function and today asks us to add $1.5 billion to that function and, perhaps, he will enlighten us on what has happened in the last 24 hours to cause that change in his views on the subject.

But the more important curious nature of this debate stems from the fact that for all practical purposes every word which has been stated here this afternoon could have been taken out of the CONGRESSIONAL RECORD of 15 or 20 years ago. The implicit connection between how much this Congress spends on primary and secondary education and the quality of that education certainly has driven all of the debates on the subject in the decades since it was first determined that the Federal Government did indeed have an appropriate role to play in the education of our children.

We do have today a relatively new report on the condition of our educational system, one which all agree shows that we have deep and serious problems in our educational establishment and with our educational philosophies.

It is clearly true that that report is highly critical of the way in which education is provided to the children of the United States. It is also equally true, as the proponents of this amendment state, that in a number of areas, at least, the authors of that report prescribed as a partial cure, at least, the investment of more money on the part of the Federal Government.

What that means, I suppose, is that there would be no debate at all over this amendment or over a similar amendment at a different figure if we had any idea what in fact this $1.5 billion would buy us in the way of better education.

History has taught us regrettably in the last two decades that the more we have spent the less we have received and I say that, with respect especially to the Senator from Delaware who made this point, spending has increased almost as much in the States and localities on education as it has through the vehicle of the Congress of the United States; the great bulk of all spending for that purpose still comes from State and local governments. The amount spent per student in the United States, the share of the gross national product which has gone into education, has steadily increased during exactly the same years as educational attainment has declined. Ironically, as a footnote, the slight turnaround in SAT scores has taken place in exactly those years in which the Federal investment in education has gone down, at least as a percentage.

But I would hope that the proponents of the amendment would enlighten us in a little more specific fashion, as this debate goes on, as to just what they expect this $1.5 billion to buy for us. Maybe they can be specific enough on that so that when we debate an identical amendment a year from now we will be able to determine whether or not we got our money's worth out of this additional money.

When we vote for an increase in the gas tax, for example, for the creation of more roads in the United States we have a pretty good idea of precisely what we will get out of what additional spending. Even in the field of social spending, when we vote to increase the amount of money for food stamps we have a fairly good idea as to how much better nutrition there will be available for those people in the United States who are eligible for those food stamps. The same thing holds true for medical care. Perhaps not alone, but most remarkably in this area, we have not really been able to put any precise results against the amount of money which we have spent.

Some, and I think reported in this Commission report, in the administration certainly believe that a major factor in the decline of educational performance has been the lack of competition in that area, and they therefore recommend tax credits and the like for private schools, voucher systems which will provide more and better education.

They have to take that, of course, as a matter of faith. Others quite accurately report it as the lack of a strong family structure as we have had in the past and lack of participation on the part of parents in the education of their children that has gone on before. Others blame it very largely on television. And I think it must be obvious that there is some truth in each of these criticisms.

Others, of course, have it taking place within the educational structure itself, a movement away from basic educational skills in favor of self-awareness, social skills, drivers' training, and the like.

But what I regret, in connection with this amendment, is the ability, one which I must say I lack myself, to speak directly to the connection between the proposal which is made here and any assurance—even a 50-50 assurance—that it will, in fact, result in better education, given the nature of our system today.

We are greatly concerned, as the Senator from Florida said, about lack of skills, particularly in the areas of science and mathematics, and yet we know that the educational system in our country makes it practically impossible to pay a premium to hire mathematics and science teachers, who of course are greatly in demand in the private sector, by paying more to them than we do to other classes of teachers, because that clashes with a number of other ideas we have about education itself.

But I would hope that at some point, in connection either with this amendment or whatever appropriation flows from it, we will be able to have a more thoughtful discussion of exactly what the relationship is between what we put into the educational establishment in the way of budget authority or appropriations and the like and what we get out of it and why it is that the more we seem to have put in—and I mean not just this Congress but all of us in the course of the last 20 years—the less we seem to get out of it.

Mr. STAFFORD. Will the Senator yield for a question?

Mr. GORTON. The Senator would be happy to, but he does not have the floor. The chairman of the committee has the floor. Would the Senator from New Mexico permit a colloquy?

Mr. DOMENICI. I would be pleased to yield.

Mr. STAFFORD. Will the Senator yield for a question?

Mr. DOMENICI. Of course, on my time.

Mr. STAFFORD. In connection with what the very distinguished Senator was saying—and the Senator knows my admiration for him and I listened very carefully to what he said—in connection with some specificity, to use that new word that is kicked around these days, as to what we would do with the $1.5 billion that is in the amendment, specifically, it proposes, under chapter 1 of the Elementary and Secondary Education Act, an increase of $540 million, and that would serve an additional 1.1 million disadvantaged children.

In the education of handicapped children program, the amendment proposes $50 million, which would increase the Federal participation in this program by one-half of 1 percent to 9.5 percent of school district costs, still far below federally mandated levels.

As to Pell grants, the amendment proposes an increase of $580 million, which would allow for the participation of an additional 580,000 students with financial need to participate in higher education. For college work study, the amendment proposes an increase of $50 million which would give work study jobs to an additional 63,000 needy college students.

Finally, for student education opportunity grants, an increase of $85 million, which would give student assistance to an additional 142,000 needy students.

And I simply wondered if the Senator was aware of those figures and if not I wanted to inform him of them.

Mr. GORTON. The Senator from Washington wants to thank his distinguished friend from Vermont for the details he has provided.

That was not, however, my question. Of course, every Member has available to him or to her the intentions of the sponsors of the amendment as to the spending of this $1.5 billion by title or by function. The Senator from Vermont, of course, is aware that in fact this amendment only adds the $1.5 billion to the education function which means that it can be spent by the Appropriations Committee in any way that it wishes and in any educational program that it wishes.

The Senator from Vermont did not, however, answer the question which I asked in my own talk on this, and that is, What are the American people going to get out of this $1.5 billion in the form of better education? Can we look to higher SAT scores? Can we look to a better educated population, in view of the fact that that does not seem to have been the result of our spending in the past? Is there any way that we are ever going to be able to measure that?

And I must confess that I do not demand an answer that we will be higher than we are today. Maybe it is true that SAT scores would have declined more precipitously had we not been spending this money over the last several years.

The point that the Senator from Washington was making is that the implicit assumption that there is some correlation between what we have spent here and elsewhere on these programs and the product we have received seems to him not to have been proven and in fact not even seriously debated.

Mr. STAFFORD. Well, the Senator from Vermont would thank his distinguished friend and simply say that I guess it is a matter of philosophy and faith. It is the judgment of this Senator as an individual that the $1.5 billion would be well spent and that it would improve the educational levels in this country and that, in this Senator's judgment, is important to the future of this Nation.

Mr. ANDREWS. Would my colleague from New Mexico, the chairman of the committee, yield me some time?

Mr. DOMENICI. How much time does the Senator want? Five or ten minutes?

Mr. ANDREWS. That would be fine.

Mr. DOMENICI. I yield whatever amount of time the Senator desires.

Mr. ANDREWS. Mr. President, I rise in support of the amendment. I do not think that anyone can tag me as a big spender. But let me point out that this is not a spending amendment. It is an investment that can pay off in tens of millions of dollars down the line.

Every dollar we invest today in a better education for our young people pays off in countless benefits, only one of which is the amount of dollars returned to the Federal Treasury.

Let me quote from the National Commission on Excellence in Education some unfortunate statistics. Mr. President, these are statistics that came out after the Senate Budget Committee took action on education.

The Commission pointed out that 23 million American adults are functionally illiterate by the simplest terms of everyday reading, writing, and comprehension. It added that 13 percent of all 17 year olds in the United States can be considered functionally illiterate, and that the average achievement of high school students on most standardized tests is now lower than 26 years ago when Sputnik was launched.

Mr. President, on numerous occasions I have spoken to individuals throughout the country on the matter of where the challenges of tomorrow are likely to be. I would point out to my colleague, the senior Senator from Vermont, that I was participating in a hearing in his State not too long ago. The first official hearing of a Senate committee conducted on statewide public television and where testimony was also taken by telephone. Many individuals from all over Vermont called in and said one of the greatest challenges for them is to find adequately trained young people. Mr. President, this amendment can assist in the goal we all seek: a well-trained and well-educated citizenry. That will insure our survival as a political and economic democracy.

I might also note that there is a direct correlation between the salaries and quality of teachers necessary to teach young people in all subjects including the increasingly important areas of mathematics and science. We are not getting enough young people in our colleges and universities to study the courses that our Nation critically needs during the coming decades.

Many people believe that education is only a local matter. That is important, but we must realize that a child who is educated in North Dakota will be contributing to the State of New York during his working life. The young child educated in Virginia may well move out to Nebraska and end up contributing to that area during his or her lifetime.

Historically, we have been a nation of transient individuals. Those who are educated in one State end up contributing in another State where they find job opportunities and a satisfactory way of life. Therefore, Mr. President, education is also a responsibility of the Federal Government, guided and directed, of course, by local school authorities. Those of us on the Federal level have to see that adequate resources are provided, in order that our investment in America's future is adequately protected.

I would hope, Mr. President, my colleagues will support this amendment, if for no other reason than the fact that the report of the President's Commission has come out after the time we considered the level of spending in the Budget Committee. I think the report spells out in language that everyone can understand the challenge that lies ahead of us.

In conclusion, Mr. President, let me reiterate that this is not additional spending. It is money for an investment in the future, and money that will be paid back. If you are too flinty-eyed and hard-hearted to care about individual Americans, remember it is money that will be returned in increased taxable income.

Mr. President, because of the potential returns on this investment, I urge the adoption of this amendment.

Mr. CHILES addressed the Chair.

The PRESIDING OFFICER (Mr. SIMPSON). Who yields time?

Mr. CHILES. I yield 10 minutes to the Senator from South Carolina.

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

Mr. HOLLINGS. I yield.

Mr. SARBANES. Mr. President, I am very pleased today to join with Senator HOLLINGS and my Senate colleagues in cosponsoring this important amendment to provide an additional $1.5 billion in fiscal year 1984 for priority education programs. Over the past 2 years, key education programs have undergone significant spending reductions and policy changes which have severely undermined the ability to educate our Nation's young people. The amendment before the Senate would restore some of the funds that have been cut from these valuable and proven programs.

An emphasis upon and commitment to education have been at the very heart of the meaning of American society since the founding of our Republic. The recent report by the National Commission on Excellence in Education noted that, "very clearly, the public understands the importance of education as the foundation of an enlightened and civil society, a strong economy, and a secure nation."

Our society must strive to achieve opportunity and excellence in education. It is my firm belief that our Nation should continue to move toward the goal that all of our citizens, regardless of handicap, financial need, or other special concerns, will be educated to the full extent of their talents and abilities. Maintaining and enhancing educational opportunities for the next generation is essential to our society.

It was in response to these concerns that Federal education programs were originally created. Since coming to Congress, I have been a consistent supporter of improving education and increased educational opportunities, which are so important to building the strength of our country. I have been deeply distressed by the Reagan administration's efforts to sharply limit the role of the Federal Government in providing support to our Nation's students, and have strongly opposed the sweeping cuts in Federal education programs that have been proposed over the past 2 years.

As a result of these cuts, there has been a serious deterioration in education services; and our country's basic educational needs are not being met. Chapter 1 aid to the disadvantaged has fallen by $500 million since 1981, with only half of the 11 million currently eligible students being served. Funds for chapter 2 State block grants would have to be increased by 207 percent in fiscal year 1984 in order to match the real dollar amount its programs received in fiscal year 1980. Funds for adult education have been cut by 22 percent, with the result that

500,000 fewer adults are able to participate in these programs.

In the face of 30-percent increases in the cost of higher education, Federal postsecondary aid has declined in real terms by 25 percent. Support for vocational education, elementary and secondary school programs, impact aid, and bilingual education have experienced similarly dramatic declines. The current proposals to level fund these programs over the next 5 years would, due to still-rising education costs, squeeze real service capacity by an additional 20 to 25 percent.

The amendment offered by my colleagues and myself would begin to reverse this recent dangerous trend of declining Federal support for education programs by adding $800 million for elementary secondary school aid and by redistributing $700 million in lower interest rate savings from the guaranteed student loans to other need-based higher education programs. The Nation has been moving in the wrong direction by limiting, curtailing, and even denying educational opportunities to our young people. As the United States is increasingly concerned with economic growth, putting our people back to work, and our competitive position in world markets, further reductions in education are clearly counterproductive to the national interest. An adequate level of financial investment in education is one of the most prudent, cost-effective, and high-priority investments our country can make.

I, therefore, urge my Senate colleagues to join me in supporting the pending amendment to reemphasize education as a critical national priority.

● Mr. MOYNIHAN. Mr. President, I rise to register my strong support of the Hollings-Stafford amendment. As you know, I have long supported programs that serve to educate our children. Educational opportunities are crucial to the growth and betterment of our Nation. Without such opportunities, our children, particularly disadvantaged youth, are shackled, and we as a nation have abandoned one of our greatest responsibilities.

Since the present administration took office, support for education and related programs has decreased precipitously. An examination of funding for the largest education, training, employment, and social service programs reveals that, in constant fiscal year 1982 dollars, Federal outlays decreased by 36.5 percent between fiscal year 1980 and fiscal year 1983. Even in nominal dollars, for those same years, Federal outlays decreased by over 21 percent. Certainly, such funding changes could not have occurred without having significant impact.

For example, the title I compensatory education for the disadvantaged program, one of the largest education programs and a program for which the Hollings-Stafford amendment recommends an increase, has been witness to considerable change. This important program provides funds that are essential to help pay the excess costs of meeting the special education needs of disadvantaged children. Yet the number of children aided has dropped to an estimated 5.3 to 6.3 million children—out of 11 million eligible students—in fiscal year 1983, compared to 7.9 million in fiscal year 1970.

The administration now proposes further cuts in this program for fiscal year 1984, while the Senate Budget Committee voted for funding slightly above the President's request but below the CBO baseline. Further, the administration's request not only proposed less funds but recommended a redistribution of funding among the title I programs. That is, funds for basic grants to local school districts would be increased slightly while funds for the three State agency programs for migratory, handicapped, and neglected or delinquent children would be reduced overall by 41 percent. Such funding levels could reduce the educational opportunities available to the specific groups who need the funds the most.

Now let us examine the Pell grants. Named in recognition of the good work of the distinguished Senator from Rhode Island, the Pell grant program is the largest Federal need-based postsecondary student aid program. Grants are provided directly to needy undergraduates based upon financial need. In academic year 1980–81, approximately 64 percent of Pell grant awards went to students from families with annual incomes of $12,000 or below.

The Hollings-Stafford amendment would restore the level authorized for this program by the 1981 Reconciliation Act. I believe this recommendation is fully warranted. The Pell grants have had an enormously positive effect on our youth. They have assisted some 18 million students since their creation in 1973, and in 1982 alone, they assisted approximately 2.6 million students. Yet the administration continues to seek to reduce, if not eliminate, this program. For example, the Reagan administration's fiscal year 1983 budget proposed a Pell grant program budget 42 percent below that of fiscal year 1982. A reduction of this magnitude would eliminate 800,000 Pell grant recipients from the program.

Although the Congress refused to support this proposal, the administration is again trying to reduce support for student financial assistance programs. Under the guise of consolidation and reorganization, it proposes to transform five programs into two—one of which would be the Pell grants program—and requests funding equal to that of fiscal year 1983. The Senate Budget Committee, although rejecting the President's proposal to consolidate the student financial assistance programs, did agree to the President's funding level, a level nearly $200 million below the CBO baseline.

The importance of the Pell grants is manifest. First and foremost, it provides an opportunity for many who otherwise would be unable so to do to enjoy the fruits of higher education. In addition these individuals are provided an opportunity to achieve a higher income than they most likely would have earned if they discontinued their education after high school. Recent statistics reveal that for persons 25 and over, yearly incomes of those graduating from a 4-year college are 28 percent higher than those with only a high school education.

It is clear to me, Mr. President, that the Hollings-Stafford amendment reverses a trend of the past few years and gives recognition to an area of Federal support which is vital to the well-being of our Nation. I support this amendment and I urge my colleagues to do so.●

Mr. HOLLINGS. Mr. President, I ask unanimous consent to include Senator LEAHY as a cosponsor.

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

Mr. HOLLINGS. And also the Senator from Massachusetts (Mr. KENNEDY).

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

Mr. HOLLINGS. Mr. President, Senator STAFFORD has made some fine points in his remarks.

But we are hit low and then high. The opponents hit us high in the first place by saying that they are very quizzical, or amused, I think was the term he used, that we were asking for any money in view of the fact that on yesterday we put in our freeze resolution.

We fought the good fight. There were several freeze resolutions. None received more than 23 votes, I think. Three-quarters of the U.S. Senate did not believe in that particular approach. So the struggle is priorities, irrespective of deficits.

May I add that the Senator from Washington should not be bemused because I understand his side of the aisle are working out a particular compromise budget calling for about a $200 billion deficit and saying in the same breath that they want a balanced budget.

As Senator Dirksen used to quote, consistency being the hobgoblin of little minds, I think we are being consistent. I hope we are not a hobgoblin.

The fact that we are not asking for enough is perhaps the fault of this Senator and a group interested in education. Certain it is that we could have

the unmitigated gall and perhaps the brass to ask for current policy or $7 billion more.

The Senator from Idaho came in and said, "Why ask for $1.5 billion? Why not have the sky as the limit? Why not ask for more?"

There is good reason to ask for $7 billion or current policy. In their compromise in a few minutes or tomorrow they will ask for $8 billion more for defense. They have figured that $7 billion is not enough and they will come forward and ask for $8 billion more. But we get accused of being unreasonable by asking for $1.5 billion for education and somehow we are the ones who are busting the budget.

What we tried to do was to correlate the effort. I think it is quite a distinct accomplishment, not of mine but of the disciplines in education who have banded together, some 83 entities in all, in behalf of this amendment:

COMMITTEE FOR EDUCATION FUNDING MEMBER ORGANIZATIONS

AFL-CIO.
American Association of Classified School Employees.
American Association of Adult and Continuing Education.
American Association of Colleges for Teacher Education.
American Association of Community and Junior Colleges.
American Association of Education Service Agencies.
American Association of School Administrators.
American Association of State Colleges and Universities.
American Association of University Professors.
American Association of University Women.
American Council on Education.
American Educational Research Association.
American Federation of Teachers.
American Federation of State, County and Municipal Employees.
American Library Association.
American Personnel and Guidance Association.
American Speech-Language-Hearing Association.
American Vocational Association.
Association of American Publishers.
Association of American Universities.
Association of Catholic Colleges and Universities.
Association of Independent Colleges and Schools.
Association of Research Libraries.
Association of Urban Universities.
Colorado Department of Education.
Committee of Private University Students.
Connecticut State Department of Education.
Council for American Private Education.
Council for Educational Development and Research.
Council for Exceptional Children.
Council of Chief State School Officers.
Council of Great City Schools.
Council of Independent Colleges of Virginia.
Council of State Administrators of Vocational Rehabilitation.
Detroit Board of Education.
Educational Testing Service.
Georgetown University.
Hispanic Higher Education Coalition.
International Reading Association.
McGraw Hill, Inc.
Michigan Department of Education.
Mid-American Association of EOP Personnel.
National Association of Bilingual Education.
National Association for Equal Opportunity in Higher Education.
National Association of Elementary School Principals.
National Association of Federal Impacted Schools.
National Association of Independent Colleges and Universities.
National Association of Private Schools for Exceptional Children.
National Association of School Psychologists.
National Association of Secondary School Principals.
National Association of State Boards of Education.
National Association of State Directors of Special Education.
National Association of State Universities and Land Grant Colleges.
National Association of Student Financial Aid Officers.
National Audio-Visual Association.
National Committee for School Desegregation.
National Council of Educational Opportunity Associations.
National Council of La Raza.
National Education Association.
National Parent Teacher Association.
National Organization of Black University and College Students.
National School Boards Association.
New York City Board of Education.
New York State Department of Education.
Princeton University.
Project on Equal Educational Rights.
Rochester City School District.
Speech Communication Association.
State Higher Education Executive Officers.
United Negro College Fund.
United States Student Association.
University of Missouri.
Washington Superintendent of Public Instruction.

I ask unanimous consent, Mr. President, that letters from several of the organizations in endorsement of this particular amendment also be printed in the RECORD.

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

NATIONAL SCHOOL BOARDS ASSOCIATION,
Washington, D.C., May 3, 1983.

DEAR SENATOR: On behalf of the National School Boards Association, we urge you to support the Stafford/Andrews/Hollings amendment to add $1.3 billion over fiscal year 1983 appropriation levels to the Senate First Concurrent Budget Resolution (S. Con. Res. 27). The amendment adds $1.5 billion to the education budget assumption in resolution which includes $14.9 billion for education. Total education funding for fiscal year 1983 was $15.1 billion. The Stafford/Andrews/Hollings amendment would assume education room in the budget for $16.4 billion in funding.

If education had received just inflationary increases since fiscal year 1980, the funding level would be $21 billion dollars. We know the argument will be made that this increase will be paid for by borrowed money. As the governors of the largest units of local government, we well understand the fiscal ramifications of the national deficit. School board members are not educators; we are citizens and business people who serve the public interest. We know that the lack of investment in education, although such a course may save a penny in the short run, places, as the President's Commission on Education Excellence said last week, the "Nation at Risk."

Please vote for the Stafford/Andrews/Hollings amendment.

Very truly yours,

M. JOAN PARENT,
President.

COUNCIL OF CHIEF STATE SCHOOL OFFICERS,
Washington, D.C., May 2, 1983.

DEAR SENATOR: Members of the Council of Chief State School Officers urge you to support a comprehensive bipartisan education amendment to be offered by Senators Hollings and Stafford to the First Concurrent Budget Resolution.

As the principal administrators of each state's public education system, members of the Council are keenly aware of the desperate need for additional investments in education. This amendment is based on an assumption that at least one-half the cuts made in the last two years should be restored for programs of proven worth. Examples include: ECIA Ch. 1 (compensatory education), ECIA Ch. 2 (school improvement), handicapped education, vocational and adult education, and aid for college students. If education programs had only stayed even with inflation since 1980, the Education Department budget would be $21 billion instead of the current $15.1 billion. The Hollings-Stafford amendment proposes to add $1.5 billion to the $14.9 billion approved by the Budget Committee, for an overall education budget of $16.4 billion.

We believe this amendment is a reasonable and responsible investment in our country's future. Given the present fiscal climate, this amendment is a prudent step. We therefore urge you to support this amendment on the floor.

Sincerely,

WILLIAM F. PIERCE,
Executive Director.

NATIONAL ASSOCIATION OF STUDENT FINANCIAL AID ADMINISTRATORS,
Washington, D.C., May 3, 1983.

DEAR SENATOR: On behalf of the National Association of Student Financial Aid Administrators' 2800 member institutions of postsecondary education, I would encourage you to support the amendment to the FY-84 Budget Resolution which will be offered by Senator Ernest Hollings and Senator Robert Stafford. This amendment would restore essential funding to education programs.

While we realize the difficult decisions you face during these times of fiscal constraint, we must not forget the support needed to educate the citizens of our Nation.

Therefore, we sincerely hope you'll support this vital amendment and resist any attempts to reduce funding or make changes to student aid programs.

Sincerely,

DALLAS MARTIN,
Executive Director.

AMERICAN ASSOCIATION OF STATE COLLEGES AND UNIVERSITIES,
Washington, D.C., April 27, 1983.

DEAR SENATOR: When the First Concurrent Budget Resolution (S. Con. Res. 27) is debated on the Senate floor next week, Senator Ernest Hollings will offer an amendment to increase the ceilings for elementary, secondary, and higher education above the FY 83 spending levels assumed in the Resolution. On behalf of the 355 colleges and universities which make up the membership of the American Association of State Colleges and Universities (AASCU), we strongly urge your support for the amendment.

The Hollings amendment would raise the ceiling for higher education programs by approximately $700 million. It would allow modest increases for federal student assistance programs such as Pell Grants, Supplemental Educational Opportunity Grants (SEOG), National Direct Student Loans (NDSL), and State Student Incentive Grants (SSIG). In addition, the amendment would allow for slight increases in the TRIO programs and Title III (Strengthening Developing Institutions).

The additional funds contained in the Hollings amendment would result in only a 15 percent increase above FY 80 levels for these programs and as you know, funding for need-based student aid programs has already been reduced by almost 25 percent in real terms since FY 80. At the same time, median undergraduate tuition at AASCU institutions has increased by 30 percent. Needy students therefore are facing an increasing gap each year in financing their college costs. At a time when new and expanded opportunities are essential for economic recovery, the Budget Committee proposal for level funding imposes further real losses in aid for students who need assistance in meeting rising costs.

Please help to ensure that millions of needy students will not be denied educational opportunities by voting for the Hollings amendment.

Sincerely yours,

ALLAN W. OSTAR,
President.

NATIONAL ASSOCIATION OF INDEPENDENT COLLEGES AND UNIVERSITIES,
Washington, D.C., April 28, 1983.

DEAR SENATOR: Early next week (the first week of May) the Senate will consider S. Con. Res. 27, the first Budget Resolution for fiscal year 1984. On behalf of the 900 member colleges, universities, and associations of the National Association of Independent Colleges and Universities, I urge you to vote for the Hollings-Stafford bipartisan education amendment to the resolution to restore federal aid to students; and to vote against any effort to further reduce federal student aid.

S. Con. Res. 27, as reported by the Budget Committee, proposes to freeze federal higher education spending at the fiscal year 1983 level. But the fiscal year 1983 level already represents a freeze from fiscal year 1982. And the fiscal year 1982 Appropriations were reduced below the federal funding levels for these programs in fiscal years 1980 and 1981. Thus, to freeze federal support for higher education now would set it at a four-year low—and not even provide for marginal adjustments to account for erosion of student aid benefits attributable to inflation over the last four years.

For that reason, we ask your support for the Hollings-Stafford bipartisan education amendment. The amendment would allow modest but critically needed restorations of funding to several programs of assistance to students attending our nation's colleges and universities. Your "yea" vote is needed.

Sincerely,

JOHN PHILLIPS,
President.

COMMITTEE FOR EDUCATION FUNDING,
Washington, D.C., April 29, 1983.

DEAR SENATOR: I am writing on behalf of the Committee for Education Funding to urge your support of a comprehensive, bipartisan education amendment that will be offered by Senator Hollings and Senator Stafford to the First Concurrent Budget Resolution.

The Committee for Education Funding which represents the entire education community including elementary and secondary, vocational and higher education organizations, agencies and institutions, fully supports this amendment which would add $1.5 billion of additional funds to the First Budget Resolution reported by the Senate Budget Committee.

The Committee for Education Funding firmly believes in the long-term national benefits of a strong, well-supported education system. Further, the Committee recognizes that an adequate level of financial investment in education is one of the most prudent, productive and high priority investments this country can make. Congress has long recognized that the education of our children is a bipartisan concern. We believe that it is imperative that we work together once again to provide increased funding for these essential programs.

Suggestions that the education budget cuts made to date have been mere reductions in growth are misleading. On the contrary, there is ample evidence that the deterioration in education services over the past three years has been severe. The loss of purchasing power due to inflation combined with current dollar reductions have had a significant impact on reducing program services. In that period, student aid declined more that 23 percent in real dollar terms. Chapter I, basic grants sustained a 22 percent real dollar reduction. Other examples are numerous. In total, if education programs had only stayed even with inflation since 1980, as measured by the consumer price index, funding for the Department of Education would be $21 billion instead of the $15.1 billion appropriated in FY 1983.

The Senate Budget Committee proposal for FY 1984 would make some internal adjustments in individual education programs but keep the overall funding level at $14.9 billion. We do not believe that quality education for millions of elementary and secondary, university and college students can be maintained at this proposed funding level.

We therefore ask that you support this bipartisan effort to bring the level of education funding to $16.4 billion for FY 1984.

As stated by the National Commission on Educational Excellence:

"Excellence costs. But in the long run mediocrity costs far more . . ."

Sincerely,

JIM GREEN,
President, Committee for Education Funding.

COMMITTEE FOR EDUCATION FUNDING MEMBER ORGANIZATIONS

AFL-CIO.
American Association of Classified School Employees.
American Association of Adult and Continuing Education.
American Association of Colleges for Teacher Education.
American Association of Community and Junior Colleges.
American Association of Education Service Agencies.
American Association of School Administrators.
American Association of State Colleges and Universities.
American Association of University Professors.
American Association of University Women.
American Council on Education.
American Educational Research Association.
American Federation of Teachers.
American Federation of State, County and Municipal Employees.
American Library Association.
American Personnel and Guidance Association.
American Speech-Language-Hearing Association.
American Vocational Association.
Association of American Publishers.
Association of American Universities.
Association of Catholic College and Universities.
Association of Independent Colleges and Schools.
Association of Research Libraries.
Association of Urban Universities.
Colorado Department of Education.
Committee of Private University Students.
Connecticut State Department of Education.
Council for American Private Education.
Council for Educational Development and Research.
Council for Exceptional Children.
Council of Chief State School Officers.
Council of Great City Schools.
Council of Independent Colleges of Virginia.
Council of State Administrators of Vocational Rehabilitation.
Detroit Board of Education.
Educational Testing Service.
Georgetown University.
Hispanic Higher Education Coalition.
International Reading Association.
McGraw Hill, Inc.
Michigan Department of Education.
Mid-American Association of EOP Personnel.
National Association for Bilingual Education.
National Association for Equal Opportunity in Higher Education.
National Association of Elementary School Principals.
National Association of Federally Impacted Schools.
National Association of Independent Colleges and Universities.
National Association of Private Schools for Exceptional Children.
National Association of School Psychologists.
National Association of Secondary School Principals.
National Association of State Boards of Education.

National Association of State Directors of Special Education.
National Association of State Universities and Land Grant Colleges.
National Association of Student Financial Aid Officers.
National Audio-Visual Association.
National Committee for School Desegregation.
National Council of Educational Opportunity Associations.
National Council of La Raza.
National Education Association.
National Parent Teacher Association.
National Organization of Black University and College Students.
National School Boards Association.
New York City Board of Education.
New York State Department of Education.
Princeton University.
Project on Equal Educational Rights.
Rochester City School District.
Speech Communication Association.
State Higher Education Executive Officers.
United Negro College Fund.
United States Student Association.
University of Missouri.
Washington Superintendent of Public Instruction.

AMERICAN COUNCIL ON EDUCATION,
DIVISION OF GOVERNMENTAL RELATIONS,
Washington, D.C., April 27, 1983.

Hon. ERNEST F. HOLLINGS,
U.S. Senate, Washington, D.C.

DEAR SENATOR HOLLINGS: During debate on the Senate Budget Resolution next week, Senator Hollings intends to offer an amendment to permit some restoration of funding for federal education programs, including student aid.

On behalf of the American Council on Education, representing the nation's colleges and universities, I urge you to vote for Senator Hollings' amendment. It would raise the ceiling for higher education programs by some $700 million and permit an additional 500,000 student awards, assuming increases of $600 million for Pell Grants, $85 million for Supplemental Grants, and smaller increases for Direct Loans, State Student Incentive Grants, TRIO, and Developing Institutions.

Without such increases, the value of student aid would continue its serious erosion due to failure to keep pace with inflation in recent years. From fiscal year 1980 through fiscal year 1983, need-based federal aid has already declined 23 percent in constant dollars.

We urge your support of the Hollings amendment, and your opposition to any amendments which would cut education funding.

Sincerely,

CHARLES B. SAUNDERS, Jr.,
Vice President for Governmental Relations.

NATIONAL ASSOCIATION OF STATE UNIVERSITIES AND LAND-GRANT COLLEGES,
Washington, D.C., April 28, 1983.

DEAR SENATOR: I am writing in behalf of the 140 member institutions of the National Association of State Universities and Land-Grant Colleges (NASULGC) to ask for your vote in favor of an amendment to be offered by Sen. Hollings to the First Concurrent Budget Resolution for fiscal year 1984. The Hollings amendment would increase the budget ceiling in Function 500 by $700 million for Higher education programs and $600 million for elementary/secondary education programs.

For higher education, the Committee-reported resolution assumes a freeze at fiscal year 1983 levels. Need-based student aid programs, such as Pell Grants, Supplemental Grants, and National Direct Student Loans have already been cut by 23 percent in real terms between fiscal year 1980 and fiscal year 1983. Freezing them at this level for another year translates into another 5 percent real cut. The Hollings amendment would set fiscal year 1984 higher education funding about 15 percent above fiscal year 1980, thereby only partially restoring the purchasing power of student aid dollars that has been eroded over the last three years.

Restoration of student aid funding is of vital importance to low and moderate-income students who are finding it increasingly difficult to finance a college education. While student aid funding has declined, tuitions at state universities jumped by 32 percent between Fall 1980 and Fall 1982. Needy students at public institutions already faced an average unmet financial need of $443 for dependent students in the Fall of 1981.

Freshmen enrollments in both private and public four-year institutions declined this year, largely as a result of reductions in student aid. At NASULGC institutions, freshmen enrollment dropped by 1.7 percent, while at historically black land-grant institutions, the freshmen decline was 7.4 percent.

To confirm that federal support of worthwhile and needy students is both appropriate and widely accepted, the National Commission on Excellence in Education while stating the federal government's role in education includes "providing student financial assistance," said, "Very clearly, the public understands the primary importance of education as the foundation for a satisfying life, an enlightened and civil society, a strong economy, and a secure nation." A recent Gallup Poll placed funding for education above health care, welfare, and military defense.

In order to maintain the bipartisan commitment of the Congress that students should not be denied a college education due to financial need, I ask you once again to note that a vote in favor of the Hollings amendment to increase funding for education programs is an affirmative commitment to the future of this country.

Sincerely,

ROBERT L. CLODIUS,
President.

RESEARCH UNIVERSITIES NETWORK—RUN

To: Research Universities Network Members.
From: ACE, AAU, NASULGC Legislative Staffs.
Date: April 26, 1983.
Subject: Action Needed on Senate Budget Resolution.

Your help is needed to assure that the fiscal year 1984 Budget Resolution permits some restoration in funding of federal student aid programs.

During Senate debate on the Budget Resolution, which will begin within a few days, Senator Ernest Hollings (D-SC) will offer a floor amendment to increase the ceilings for elementary, secondary, and higher education above the fiscal year 1983 spending levels assumed in the Resolution reported by the Senate Budget Committee. A vote on the Hollings amendment may come as soon as Tuesday, May 3, or Wednesday, May 4.

It is important to call your Senators immediately to urge their support of the Hollings amendment. (Also urge their opposition to any amendments to cut education funding.)

The Hollings amendment would raise the ceiling for higher education programs by over $700 million. It would permit increases of $600 million for Pell Grants, $85 million for Supplemental Grants, $18 million for Direct Loans, $17 million for State Student Incentive Grants, and slight increases for the TRIO programs and Title III.

Unless the ceilings for these programs are raised, student aid funding for fiscal year 1984 could not exceed fiscal year 1983 levels—which in constant dollar terms already represent a cut of 23 percent since fiscal year 1980. The House-passed budget resolution would permit a $650 million increase in student aid programs.

ASSOCIATION OF CATHOLIC COLLEGES AND UNIVERSITIES,
Washington, D.C., April 28, 1983.

DEAR SENATOR: During debate on the Senate Budget resolution next week, you will be asked to vote on an amendment offered by Senator Hollings to permit restoration of some funding for federal education programs. Senator Hollings' amendment has bipartisan support, in recognition of the fact that the value of federal student aid has declined 23 percent in constant dollars since fiscal year 1980.

On behalf of the Association of Catholic Colleges and Universities, representing 218 institutions of higher education in the United States, I urge you to support the Hollings amendment and to oppose any attempts to cut education funding even further. Your support will permit funding for an additional 500,000 awards to students with demonstrated financial need, and will clearly demonstrate your belief that access to higher education is essential to our nation's future.

Thank you for your attention to this matter.

Sincerely,

ALICE GALLIN,
Executive Director.

ASSOCIATION OF JESUIT COLLEGES & UNIVERSITIES,
Washington, D.C., April 28, 1983.

Hon. SENATORS,
U.S. Senate, Washington, D.C.

DEAR SENATORS: Due to time constraints, we, unfortunately, were unable to address each of you individually and properly. We hope you understand this situation in view of the issue at stake.

As you are aware, the Senate is expected to vote on the fiscal year 1984 Budget Resolution next week, possibly on May 4. Senator Hollings will introduce an amendment to raise the funding levels for education, including about $750,000,000 for Title IV Student Aid programs.

We urge your support of this amendment. Simply to leave these aid programs funded at current levels would continue to reduce educational opportunities for needy students, particularly the ability to choose an appropriate institution and program.

Thank you for your consideration. On behalf of the Association of Jesuit Colleges and Universities, we urge your support.

Respectively,

Rev. WILLIAM MCINNES, S.J.,
President.

JOSEPH KANE,
Vice President.

Mr. HOLLINGS. I commend these organizations, not just for their support but their self-discipline. They realize we are in trouble. They are located all over this country and understand the need for fiscal restraint.

Necessarily, if I am having difficulty trying to hold the line on spending and I cut back programs because I cannot print money, but there is a resource in the land, namely, this Congress, that can print the money, then, in fairness to my particular interest, to my responsibilities, I must come to Washington asking for help in financing these particular programs.

Mr. President, our distinguished chairman of the Education Committee, Senator STAFFORD, went down a list I have here, a specific list, of each one of the particular assumptions in the resolution and the increase plus a description.

I ask unanimous consent that this information be printed in the RECORD at this particular point.

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

ELEMENTARY AND SECONDARY EDUCATION

Our amendment adds funding to the First Concurrent Budget Resolution for several important programs; Title I, Handicapped Education, Vocational/Adult Education, Chapter 2 Block Grants, Impact Aid, Bilingual Education, and the new Math and Science Program.

Title I aid to disadvantaged children.—Enacted in 1965 to provide financial assistance to school districts with concentrations of children from low-income families, its focus has been to provide compensatory educational programs that address the special needs of educationally deprived children—primarily for instructional services in reading, math and language arts. The Department of Education reports that only 3 percent of the total monies spent across the "country for elementary and secondary education are Title I monies." But, "they have accounted for almost one-third of per pupil expenditures in some of the Nation's poorest school districts." Recent studies by the department and the National Assessment of Education Progress give the program glowing marks for upgrading math and reading achievement scores. The shortcoming of the program is, while it serves over 5 million students, it is available to less than half of the students who are eligible for its valuable service. And, adjusting for inflation, the estimated constant dollar funding level for Title I has fallen by 21 percent between FY 1980 and FY 1983. Our amendment would allow a funding level in FY 1984 of $3.830 billion as compared to the Budget Resolution level of $3.268 billion—an additional $562 million. This increase will allow States and localities the flexibility of either increasing the level of expenditure per child served, thereby improving the educational services now available to the educationally disadvantaged, or increasing the number of educationally disadvantaged children who participate in the program, or some combination of both. Our recommendation would increase Federal support to local school districts faced with the problems of providing basic skills development and mathematics proficiency to those children who begin school with fundamental educational disadvantages. It is estimated that our amendment will allow an additional 1 million eligible students to participate in title 1.

Handicapped education.—The Education of the Handicapped Act was established for the purpose of awarding grants to States to assist them in providing a "free and appropriate education" to all handicapped children. This program represents the basic vehicle through which the federal government maintains a partnership with the states and localities to end the educational neglect of handicapped children. Over 4 million handicapped children and youth ages 3 to 21 are receiving special education and related services now. Although Federal appropriations for this program have increased steadily since 1975, the Federal share of the excess costs peaked at 12.5 percent in 1979 and currently represents 8 percent, well below the authorized level of 40 percent. State and local districts simply cannot afford the extra financial burden of carrying out the Congressional mandate of providing free public education in as normal a setting as possible for every handicapped child. We must live up to our obligation and provide the funding necessary to assist the states in this important endeavor. Our amendment would provide an additional $40 million for handicapped education over the level provided in the Budget Resolution. An increase in funding for the Education of the Handicapped program would result in an increase in the overall Federal contribution for the excess costs of educating a handicapped child.

Vocational and adult education.—Vocational education programs provide education, training and basic instruction needed by persons to successfully compete and advance in the labor market. Vocational education is currently able to work closely with business, labor, and government to meet the training needs of the workplace. Enrollments in vocational education have increased by more than 85 percent in the last 10 years, with current enrollment totaling 16.5 million secondary, post-secondary, and adult students. Although federal funding of vocational education has increased in absolute dollars, the Federal share of total spending has declined from 19 percent to approximately 10 percent during the same period. With unprecedented long-term unemployment and the need of specialized skills in the emerging high-tech industries we cannot afford to weaken this network.

Adult Education programs provide educational opportunities to adults 16 years of age and over to complete their secondary education and services or instruction for adults whose inability to speak, read or write the English language constitutes a substantial impairment to their ability to get or retain employment. More than 2.1 million adults enroll annually in these programs. However, the potential target population of adults who have not finished high school or its equivalency is in excess of 53 million and the number of adults who lack the basic skills to cope with the every day demands of this technological society is more than 20 million. Here, too, is a program whose positive results more than compensate their cost to the federal government. Thousands of adults benefiting from adult education programs are removed from public assistance, employed or promoted, and become contributors to society.

The world of work is changing rapidly and it is absolutely critical that people be prepared with skills that will enable them to compete and succeed in the job market. The President has proposed consolidating Vocational Education and Adult Education into a block grant and funding the two at $500 million. My amendment does not assume this consolidation and provides a funding level of $948 million for the two programs. By providing $948 million for vocational/adult education in FY 1984, programs for special populations such as the handicapped, disadvantaged and limited-English proficient, who traditionally have high unemployment rates, would be expanded and improved. In addition, States and localities would receive the necessary financing to maintain successful programs and to initiate new programs to meet the challenge of developing a competent and modernized work force for today's rapidly changing economy.

Chapter 2 State block grants.—Chapter 2 Block Grants provide funding to state and local education agencies for a wide variety of educational improvement purposes from special programs for the gifted to career education and teacher education. Enacted in 1981, this program replaced 28 categorical programs previously funded at $760 million. The total number of beneficiaries is about 45 million but the low level of funding for the program, $479.5 million in FY 1983, means that projects provide very modest assistance to a large number of children or measurable assistance to a particular group. In addition, enactment of this consolidation under the severely reduced funding level has meant competition among diverse previously funded programs for shrinking funds. For example, local education agencies now find themselves choosing between funds for library materials or desegregation assistance. Our recommendation of $528 million would reverse the funding decline these activities have experienced since FY 1980. It would provide States and localities with additional financial flexibility to adjust elementary and secondary education programs to the changing educational needs of our society, and to develop and expand programs ensuring that students have the basic minimal skills needed to be educated citizens in our society. Funds may also be used to purchase and utilize modern instructional equipment, including microcomputers, or to encourage and enhance the process of school desegregation. This amount would also provide more funds to the Secretary of Education to invest in education programs of national priority—programs which would identify areas in education where deficiencies exist and where national leadership could avert future crises in our educational system.

IMPACT AID

The impact aid program provides funds for current operating expenses and construction assistance to compensate school districts for the costs of educating children when school enrollments and local revenues have been adversely affected by Federal activities. Payments for the cost of educating children who reside and/or whose parents work on Federal property, or are in the uniformed services, as well as children who reside on Indian lands or in federally subsidized low-rent housing, constitute the majority of this program. The number of children served under this program has been reduced from nearly 2.4 million in FY 1980 to 2 million in FY 1983, and the number of districts receiving assistance have decreased

from 4,300 to 2,000 between FY 1980 and FY 1983. Our amendment would provide funding for 3,320 school districts.

Since recipient school districts use the impact aid assistance for general operating costs rather than serving only federally-affected children, decreases in the impact aid program could only be offset by increasing or redirecting local revenues or reducing staff and educational services. Our recommendation of $535 million for FY 1984 would help minimize the fiscal inequities and deficiencies resulting from and caused by both the presence of a tax-exempt Federal lands and the burden of providing public education to children who reside on Federal property or whose parents work on Federal property, and partially reverse a steady decline of payments to recipient school districts since FY 1981.

Bilingual education.—The federal bilingual education program was developed to assist local education agencies in meeting the special educational needs of children with the limited ability to speak, read, write, or understand English. In school year 1980–1981, approximately 322,000 limited or non-English proficient children participated in nearly 600 federally-financed bilingual projects. In contrast, in the current school year, (1982-1983), approximately 188,300 children, less than half as many, are being served in about 355 projects. Thus, proportionately fewer projects and consequently fewer students are participating in the bilingual education programs due to funding reductions. The Department of Education estimates that there are some 3.6 million non-English speaking school children in the United States—obviously this figure represents a substantial number of children not receiving these services and the number of affected children is expected to continue to rise. Our amendment would provide $148 million for bilingual education, an increase of $10 million over the Budget Resolution and would achieve, in addition to serving nearly 13,000 more students, several important goals:

1. increasing the number of limited- and non-English proficient children who could benefit from bilingual education programs;

2. providing States and localities with the necessary assistance to build their capacity to deliver quality bilingual education in order to accommodate the increasing portion of language-minority children in the total school-age population. (The Department of Education estimates that by the year 2000, language minority children will increase by 40 percent while the overall school-aged population will increase by 16 percent); and

3. providing needed financial resources to those localities with highest concentrations of limited-English proficient children, which are often those areas relatively unable to afford bilingual education programs.

HIGHER EDUCATION

Our amendment provides a restoration in funding for several important higher education programs: Pell Grant, College Work Study, Supplemental Educational Opportunity Grants (SEOG), State Student Incentive Grants (SSIG), National Direct Student Loans (NDSL), Trio Programs, and Strengthening Developing Institutions (Title III). By raising the ceiling for higher education as we provide in our amendment, it would permit an additional 500,000 student awards.

Pell grants.—The buying power of the Pell Grant for needy students has declined drastically over the last three years. In fiscal year 1980, the $1750 maximum award represented 40 percent of the average cost of attendance at all institutions—although only 25 percent of the cost of students attending independent institutions. By fiscal year 1983 the maximum award grew to $1800 and unless that level is increased for fiscal year 1984 it will meet only 27 percent of the average cost of attendance—and only 16 percent of the average cost for students at independent institutions. Students from needy backgrounds will find it increasingly difficult to attend college.

The $3.0 billion included in our amendment would allow for a fully-funded Pell Grant program with a maximum award of $2100 paying 60 percent of education costs. This $2100 maximum award, while less than the $2500 authorized for fiscal year 1984 by the Education Amendments of 1980, would provide for approximately 2.7 million recipients, 600,000 more students than the Administration's budget request, restoring the number served in fiscal year 1980. Additionally, our amendment will serve over 300,000 more than provided for in the Budget Resolution.

College work study.—The purpose of the college work-study program is to provide part-time employment opportunities for students with financial need. The college work-study program, a federal-institution cost sharing partnership, is popular both with students and the higher education institutions they attend. Not only does the program help students meet their college expenses, but participants also receive training and experience in their selected course of study through their part-time jobs. Still other students are employed under the program to support various campus services and activities that the institutions might not otherwise be able to provide. Our amendment will provide $640 million for College Work Study—a $100 million increase over the level provided in the Budget Resolution. This level will provide 160,000 additional self-help job opportunities—or a total of over 1 million. And it will do much to enable needy students to continue their higher education.

Supplemental educational opportunity grants.—The SEOG Program is targeted on undergraduate students with substantial financial need and is especially critical for students attending higher-priced public and independent institutions and single parents who are resuming their higher education or seeking retraining. Approximately 70 percent of the SEOG funds are awarded to students with family incomes of less than $15,000 per year. This program's effectiveness also has been substantially eroded in the past three years, even though data from the Department of Education's latest Annual Evaluation Report notes that the SEOG Program continues to target its funds on lower income students to a greater degree than most aid programs.

The $440 million contained in our amendment would provide a supplemental grant to approximately 765,000 needy students in FY 1984, thus reversing the current trend that has seen approximately 25,000 students dropped from the program since 1980.

State student incentive grants.—This program is a Federal-State cost sharing partnership, encouraging States to develop or expand grant assistance to students with "substantial financial need" and contribute toward the goal of equality of educational opportunity. The Administration would eliminate this program while our amendment would provide $77 million—$17 million more than provided in the Budget Resolution and the same level allowed in the Reconciliation Act.

A decrease in funding would force most States to reduce total student aid and some States would eliminate student aid entirely for lack of adequate State funding. And still other States would have to reduce the size of grants or tighten student eligibility. SSIG is a need-based program with substantial participation of low-income students, and, reduction would be felt hardest by this segment of the population. Our amendment would take the other road by providing 60,000 more student awards next year than were made this year, the same number of awards as were made in 1981–82.

National direct student loans.—This program was created to stimulate and assist in the establishment and maintenance of revolving funds at institutions of higher education for the purpose of making low-interest loans to needy students. By providing long-term, low interest loans to financially needy students, this federal-institutional matching program has offered a system of credit to those persons who have difficulty securing loans from commercial lenders. Revolving funds have developed at colleges through prior and current year loan repayments. The federal capital contribution permits institutions that have not yet achieved revolving fund status to make new awards. Last year's federal capital contribution of $179 million provides for 255,000 new awards. Our recommendation of $202 million, the CBO current services estimate, will continue to meet the needs of low-income students by allowing an estimated 255,000 new awards to be made next year.

TRIO.—The TRIO programs; such as Upward Bound, provide important outreach, counseling and tutoring services to encourage attendance and retention and to improve academic performance of low income disadvantaged students whose parents did not have the opportunity to attend college. The proposed increase of $15.3 million (to $170 million) is within limits of the Ominibus Reconciliation Act of 1981 and would enable the program to reach 57,000 more disadvantaged students who need special assistance to complete their education.

Between FY 80 and FY 83, TRIO lost 29 percent of its funding in real dollars. In 1980 dollars, the FY 83 TRIO appropriation is equivalent to $109.8 million.

Title III.—The Strengthening Developing Institutions program provides grants to approximately 455 postsecondary institutions with high percentages of students receiving federal need-based aid and low average educational and general expenditures. The grants may be used to improve academic quality, institutional management and fiscal stability of these institutions to enable them to become more viable. The proposed increase of $5 million in our amendment would match the Administration's funding request and would increase the value of each grant award.

New math and science program.—Legislation creating a program to meet critical needs in providing math and science instruction—the Education for Economic Security Act—is before committee. It would authorize $400 million for each of the fiscal years 1984 and 1985. Our amendment assumes enactment of such a measure and provides $400 million in funding for FY 1984.

The President has called for such a program. Leading educators point out the need for such a program. Because of the growing

shortage of math and science teachers, the declining achievement levels of students and the need for improved computer literacy in the work place. America's economic and technological position in the world marketplace is imperiled. The most critical problem to overcome is the shortage of qualified math and science teachers. Currently 22 percent of the teaching posts in mathematics nationwide are unfilled and five times as many math and science teachers leave the teaching profession for other jobs as leave due to retirement. The legislation under consideration is designed to strengthen programs to retrain current teachers and new ones. Our amendment will provide for the necessary funding to get this important first step program underway. A solution to the math and science teacher shortage will take a longer-term effort, but it is important that we begin this effort in a significant way and a timely manner. Our amendment achieves that goal.

Mr. HOLLINGS. There is no guarantee that these particular amounts, our assumptions, will find that result in treatment by the Appropriations Committee. We all know we are not a line itemized committee. That is up to the Appropriations Committee.

This is what the education organizations are saying in their negotiations. They have done a lot of hard work over the past 5 weeks, meeting here in Washington saying, "give a little bit more here. I want more but I will give up more on the others." I have never seen a better disciplined and better organized effort in trying to put forth a realistic figure, trying, of course, to gain the most support.

Individual Senators interested in particular programs like myself, title I for the disadvantaged, know what good it will do. We know of the National Assessment of Education and Progress and the Department of Education saying that this will increase the math achievement level of the disadvantaged students it serves. Title I is tremendously successful. The problem is less than 50 percent of those eligible receive its services.

That $500 million we assume for title I, I say to Senator GORTON, I know what it will do. I have seen that 93 percent dropout rate turn, if you please, to an 87 percent completion rate in my State of South Carolina. That is billions and billions of dollars in advancement. It is an investment worth every dime we have spent.

If the distinguished Senator from Iowa was here I would tell my Marshalltown story. They have a magnificent school and schools, plural.

In Iowa, I have traveled there, I have talked to the Education Association. And I can feel immediately the feeling of the distinguished Senator from New Jersey as he looks upon his city that he mentioned, and as the Senator from Mississippi looks upon his schools.

We do not see that situation. Bless them. They have hardship in Marshalltown. I have talked to the labor groups in that town. I do not mean to say everybody is employed, but when it comes to the schools I have never seen any better than at Marshalltown. There are wonderful art courses and courses of every description. And the disadvantaged? I am sure they must have some but not in the depth and amount of Newark, N.J., or down in Mississippi, or down in South Carolina.

This is the kind of problem that we feel very keenly. Do not come up here and give me a means test for education when you have not gotten an MX missile and you are ready to put $40 billion into that and it has not worked yet, and I hope it never does. Give me money for proven programs such as title I. It is a winner.

The fact of the matter is, Mr. President, I would like to refer to the direct result of our amendment. It will be a reversal to the enrollment declines in higher education for the first time. It will amount to a reversal in the trend; quality education is becoming available only to the wealthy; a reversal, with high unemployment rates among our youth, particularly minority youth who look in vain for jobs because they cannot afford higher education or do not possess the skills for jobs.

When we correlate private and public, elementary, secondary, and higher, Republican and Democrat, North, South, East, and West, in an educational effort to respond to that crisis in America—or "a nation at risk," as it is entitled, when you realize we have a nation at risk, then, Mr. President, you see the reality and a response—and a very minimal response at that.

In reality, were it not for the $200 million that is forward funded of the impact aid that is not to be spent for 2 years, and without the $230 million included now for math and science, the budget resolution would be below current policy, not an increase.

Finally, in appealing on a bipartisan basis, look at what really impacts upon this particular Senator, because we know that the Secretary of Education was sworn in to abolish his department. He appointed a distinguished group. That distinguished group, and I am reading now from page 32 of the recommendations, talks not of abolishing the Federal role in education. I am reading from the Secretary's own results and report:

> The Federal Government, in cooperation with States and localities, should help meet the needs of key groups of students such as the gifted and talented, the socioeconomically disadvantaged, minority and language minority students, and the handicapped. In combination these groups include both national resources and the Nation's youth who are most at risk.
>
> In addition, we believe the Federal Government's role includes several functions of national consequence that States and localities alone are unlikely to be able to meet: protecting constitutional and civil rights for students and school personnel; collecting data, statistics, and information about education generally; supporting curriculum improvement and research on teaching, learning, and the management of schools; supporting teacher training in areas of critical shortage or key national needs; and providing student financial assistance and research and graduate training. We believe the assistance of the Federal Government should be provided with a minimum of administrative burden and intrusiveness.
>
> The Federal Government has the primary responsibility to identify the national interest in education. It should also help fund and support efforts to protect and promote that interest.

There is a complete 180-degree turnaround from the expert commission of the Secretary of Education and his Department, sworn to abolish the Federal role in education.

Mr. President, I hail this particular measure. Now is not the time for partisanship. Now is the time to join ranks and quit pick, pick, picking about you cannot prove what good is done, because I can.

Then, why did you not ask for more? Because you cannot satisfy the appetite of the NEA?

They may have an appetite, but they are not as greedy and hoggish as the Department of Defense. The NEA is a fine organization and is dedicated to improvings the Nation's educational program as any group I know. They have done a remarkable job, as have the many others I have listed.

The PRESIDING OFFICER. The time yielded to the Senator from South Carolina by the Senator from Florida has expired.

Mr. HOLLINGS. I think that is a good stopping point. I think I have made my point. I yield back to the Senator from Florida.

Mr. BYRD. Mr. President, I strongly support this amendment to add $1.5 billion to the level of funding for education reported by the Budget Committee. I commend the Senator from South Carolina (Mr. HOLLINGS), and his cosponsors for their efforts in developing this carefully crafted and fiscally responsible amendment.

I would also like to be a cosponsor of it, and I shall ask unanimous consent at the close of my statement that I may be added as a cosponsor.

During the last 2½ years, I have often taken the floor to express my concern about the drastic cuts in educational programs proposed by the current administration. These cuts in funding, combined with substantive policy changes over the last few years, have done severe damage to the American education system. This damage has been done in the face of mounting evidence that our Nation is falling behind in its efforts to educate its citizens. We have cut funds and programs despite growing functional illiteracy among children and adults; despite a

serious decline in standardized test results; despite the need for greatly strengthened mathematics and science programs; despite reports from employers that workers are not adequately equipped or trained in today's sophisticated technologies.

Last week, the National Commission on Educational Excellence issued its report reiterating these problems, and affirming the urgency of a renewed national commitment to the education of our people. That report eloquently reminds us of the interrelationships between the education we give our children, the continued learning of our adults, our position in the world economy, our national defense, and the social and economic well-being of our citizens.

The Hollings amendment is a first step in redressing the damage done to vital education programs during the last 2½ years. The amendment looks carefully at those programs which have been cut in the past several years, and restores a total of $1.5 billion in funding. These programs address our commitment to the education of all our people, poor as well as rich, adult as well as child; and they acknowledge the critical need for accelerated efforts in the math and science fields.

This amendment is a fiscally responsible investment, as Mr. ANDREWS said a few minutes ago, in the future of our Nation, and especially in our future position in the world economy. I urge my colleagues to support the Hollings amendment.

Mr. President, I ask unanimous consent that my name be added as a cosponsor of the Hollings amendment.

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

● Mr. BINGAMAN. Mr. President, I support the Hollings-Stafford amendment to the budget resolution. This amendment, which I am cosponsoring, would add $1.5 billion for education.

Last week the President's Commission on Excellence in Education issued an important report. Titled "A Nation at Risk," it puts the issue in perspective.

While I would not agree with every point in the Commission's report, its message is timely and significant.

Education is an investment, not a luxury.

It is an investment in our children, our economy, our security, and our future.

This investment must not be neglected in a world of foreign competition and fast-paced change.

In the fifties, the United States produced over 50 percent of the world's gross national product. Today our share has dropped to slightly over 20 percent.

Foreign competition is rising. One in seven American jobs depends on our ability to sell abroad.

Meanwhile, over 11 million Americans are jobless. Many of them have lost their jobs to foreign competition. Many American consumers have chosen to buy products made abroad, instead of similar products made in America. We have to change that.

To quote from the Commission's report:

> Our once unchallenged preeminence in commerce, industry, science, and technological innovation is being overtaken by competitors throughout the world.

We have to meet that competition. To compete, we need an educational system that is second to none.

Not long ago, the Japanese Ministry of International Trade and Industry released a document describing their plans for the 1980's.

I would like to quote a passage:

> It is extremely important for Japan to make the most of her brain resources, to develop creative technologies of her own, to maintain and develop her industries' international superiority.

I would note that the inevitable effect of such superiority, should it be attained, would be a greater number of unemployed Americans.

The Japanese economic system is different from ours. There are political and cultural differences as well. I would not emulate the regidity of the Japanese educational system. However, to their credit, the Japanese have placed a tremendous emphasis on the development of human talent through education and training.

The kids they educate today will be competing against our kids tomorrow.

This week our special trade representative, Ambassador William Brock, compared the Japanese and American educational system. Here is some of what he said:

> Surveys have shown that 13 percent of all 15-year-old high school students in America could not perform reading tasks designated as "functional", 28 percent could not answer questions testing "literal comprehension" of what they read, and 10 percent could not write prose deemed marginally acceptable.
>
> One half of all U.S. high school students do not study math or science beyond the 10th grade. Only 1 in 10 American students is studying physics—1 in 12 is studying calculus; 53 percent could not write a letter, and could not solve simple problems involving applied math.
>
> This survey did not include the 26 percent that had dropped out of high school.
>
> Compare that with Japan. There, 95 percent of Japanese teenagers graduate from high school as opposed to 74 percent in the United States. Japanese students are in session 5½ days a week with more weeks to the school year than U.S. schools.
>
> The result is that the graduate of a Japanese high school accrues approximately 4 more full years of total primary and secondary education than the U.S. high school graduate.

Mr. President, the words of Ambassador Brock should command our attention. I repeat, we do not want the rigidity and pressure of Japanese education. However, we have to do better than we have been doing. We have to strengthen our educational system.

I would add that education is important to our national security. I am privileged to sit on the Senate Armed Services Committee. I am constantly reminded that national security is more than bullets and bombs.

National security is enhanced by an economy that is neither dependent on foreign manufacturers nor fearful of foreign competition.

National security is enhanced by a growing economy that can finance a strong, sustained, economically feasible, and politically acceptable defense program.

National security is enhanced by educating the people to create and operate the modern weapons for the modern military.

For several reasons, then, I believe it was a mistake to reduce funding for education.

In 1980, the budget for the Department of Education was $15.6 billion. To maintain the 1980 level of programs, including the cost of inflation, we would need to spend about $22 billion in fiscal year 1984.

Yet the administration is requesting well under $14 billion. I think this is a serious mistake.

In 1980, we spent over $190 million on bilingual education, which is particularly important to my home State of New Mexico. The administration is requesting under half that amount for fiscal year 1984. I think this, as well, is a serious mistake.

In fact, the administration has worked to reduce education funding for a host of programs. If this continues, I fear we will pay the price for a long time to come.

I hope my colleagues will support the Hollings-Stafford amendment.

By adding $1.5 billion for education, the amendment will send a message of support to teachers, students, and parents alike. It is fiscally sound. Even if it passes, the full impact of the budget cuts will not have been reversed. It is bipartisan, with support from both sides of the aisle.

The amendment would add $500 billion, above the Budget Committee proposal, for elementary and secondary education.

I would add $200 million, to allow a new math and science education program totaling $400 million for fiscal year 1984. I believe that this is especially important, to my home State and the Nation, at a time of technological advance and foreign competition. Today the Japanese produce over twice as many engineers as we do, as a percentage of the population. We must change this.

The amendment would add $800 million for support of higher education.

Ph. D's in the sciences are down from the peak level of the 1970's. In

physics, astronomy, chemistry, computer sciences, and other fields they are down between 25 and 40 percent.

We must produce more doctorates and employ the highest standards. They would improve the research capability of private industry. They would strengthen our defense industry and our military's ability to develop effective, technologically advanced weaponry. They would provide the teachers that are needed in classrooms across the Nation.

The amendment would budget $148 million for bilingual education. This is about $53 million above the administration request, and is urgently needed in New Mexico and elsewhere.

In conclusion, Mr. President, I think this amendment is particularly important. Money alone is not the answer. The amendment is a small part of the answer to a most difficult problem. It is, however, a statement of commitment to improving the quality of education.

All Americans must be part of the solution. Parents, teachers and students will have to work hard and work together. We should support them.

Despite our problems, there is reason for optimism. We live in the strongest Nation on Earth, and the most productive. Time and again we have faced our difficulties and overcome them.

Since 1979, there were 42 Nobel Prizes awarded and 22 went to Americans. Only one went to a citizen of Japan. None were awarded to Soviets.

We can build on our strengths, developing genius in the laboratories, skills in the workplace, and excellence in the classroom.

I hope my colleagues will see fit to support this amendment, which I believe is a modest but significant step in the right direction.●

Mr. KENNEDY. Mr. President, I think it is quite appropriate for us to be discussing Federal funding for education only a few days after the National Commission on Excellence in Education issued its final report. The Commission throughout its report emphasized the important role that the Federal Government must play to insure that our Nation possesses a quality educational system.

According to the Commission:

> It is essential—especially in a period of long-term decline in educational achievement—for government at all levels to affirm its responsibility for nurturing the Nation's intellectual capital.

More specifically, the Commission concluded:

> The Federal Government has the primary responsibility to identify the national interest in education, to help fund and support efforts to protect and promote that interest and to provide the national leadership.

But during the Reagan administration, we have seen the Federal Government retreat from its historic efforts to improve public education. President Reagan has established two goals in his education policy: To aid private schools at the expense of public schools and to cede any Federal leadership and support role in education to the States and localities. While many of these proposals have been repudiated repeatedly by this Congress, his efforts have shrunk the Federal efforts in education.

In terms of real dollars, the title I program, which helps the neediest students and has a demonstrated record of success, has suffered a 30-percent cut since fiscal year 1980.

In terms of real dollars, the bilingual education program, which gives limited English proficient students a chance at a quality education, has suffered a 49-percent cut since fiscal year 1980.

Since fiscal year 1979, student assistance has declined by 32 percent in constant Federal dollars, while the cost of tuition for an undergraduate student has risen by an average of 30 percent.

The Hollings-Stafford amendment would reverse that trend. The programs which are being targeted for an increase in funds have a record of success. They have demonstrated that Federal efforts can make a difference for the student and our country.

That very conclusion was drawn in a Department of Education study released in January of this year, performed by SRI International. Looking specifically at the impact of title I, Public Law 94-142, bilingual education, vocational education, and the three civil rights laws, the study concluded:

> Federal policies for special populations have substantially improved and expanded the array of educational services for the intended target students and that Federal actions have made a substantial difference in local educational practice and have achieved their intended purposes.

What is at risk in this Nation's promise to its citizens—that all, regardless of race or class or economic status, are entitled to a fair chance and to the tools for developing their individual powers of mind and spirit to the utmost.

This amendment will bring us closer to fulfilling that promise. That is why I urge my colleagues to support the amendment.

Mr. BURDICK. Mr. President, I am pleased to join as a cosponsor of the Hollings-Stafford amendment to the first budget resolution, adding $1.5 billion to the amount we will spend on education in this country next year.

Education, I am sure everyone will agree, is one of the key building blocks that make up the foundation of this great country. It is part of our vital economic infrastructure, just as important as our Interstate Highway System. And like our highway system in recent years, it has come under attack because of its state of disrepair. The current debate over math and science education, the comparisons of our educational system with those of other industrialized countries, both friend and foe, and the recent report by the National Commission on Excellence in Education, all point to the need to reexamine our priorities in the area of education.

This amendment is a substantial move to correct the neglect that we have shown toward education in the past decade. Without strengthening education, we will not be able to strengthen our country, economically, technologically, nor militarily. This is the beginning of an attempt to correct the harm which has been done, although we have lost much which cannot be recovered.

This money will be distributed to existing programs, programs which have been proven effective, but which have suffered greatly in the past few years under the budget ax. It will benefit a wide range of educational programs, at all levels from primary schools to institutions of higher learning. The original goal of this amendment was to restore these programs to the fiscal year 1980 level of funding, adjusted for inflation. But given the restrictiveness of the budget and the massive cuts which have occurred in the past 2 years, this was an impossible task. Instead, only half that amount was included in the amendment.

I think that we all should take note of what has been said by the Commission in their report and act now to restore the needed funding to education in this country so that our schools will be ready to "prepare our children for far more effective lives in a far stronger America."

I urge all my colleagues to vote for the Hollings-Stafford amendment. I, too, am concerned about the tightness of the Federal budget and the enormous levels of the deficit, but if we are to have a strong America, we must have strong education for our future leaders.

Mr. MATSUNAGA. Mr. President, as a cosponsor of the Hollings-Stafford amendment to add $1.5 billion to the budget resolution for education funding, I rise to urge my colleagues to adopt the Hollings-Stafford amendment, which is vital to our national educational system.

Mr. President, we are all aware of the findings of the National Commission on Excellence in Education, a Commission appointed by Education Secretary Terrel Bell. This report warns us that American education was deteriorated so drastically in the past two decades that "our very future as a nation and a people" is threatened. It points to a rising tide of mediocrity which has swept over our national educational system and reveals some

startling statistics, such as the fact that about 13 percent of all 17-year-olds can be considered functionally illiterate and that 23 million American adults are also functionally illiterate, according to the simplest tests of everyday reading, writing, and comprehension.

I, for one, have always believed that the education of our Nation's citizens must be one of our highest national legislative priorities. This report only serves to emphasize the fact that we cannot shirk our responsibility in this area. We must provide adequate national leadership to insure that our youth are given the chance they need and deserve to become productive and contributing members of this society. If we fail to assume this leadership, in the words of the Commission's report, our Nation is indeed at risk.

Our amendment assumes that funding will be allocated to such programs as education aid for the disadvantaged, handicapped education, vocational and adult education, impact aid, bilingual education, higher education, and a new math and science program.

These programs are vital to our system and are in dire need of adequate funding. For example, it is estimated that only half of the 11 million students eligible for the title I program for the disadvantaged are being served. In the case of handicapped education, only 9 percent of school district costs are provided from Federal funds. With regard to impact aid assistance, which is critical to my State of Hawaii, local school districts have been forced to bear a heavy share of the burden in educating federally connected students.

In the area of math and science education, I would like to point out that widespread national concern has recently focused on the serious deterioration in teaching and learning in mathematics and science. Indeed, many of our Nation's secondary schools are woefully ill-equipped to provide even fundamental math and science teaching. This situation clearly threatens not only our country's economic stability, but our national security as well. Here again, we must assume our responsibility to insure that this national need is being met—and met in a meaningful way with enough funding to guarantee an effective program.

Mr. President, over the past few years, many of these programs have absorbed drastic budget cutbacks. It is time to reverse this trend and restore to America a top quality educational system. I, therefore, urge my colleagues to support the Hollings-Stafford amendment which will start us on the way toward meeting this goal. The Hollings-Stafford amendment merits our support, for it represents a responsible investment in our youth and our country's future.

Mr. RANDOLPH. Mr. President, as a cosponsor of the Hollings-Stafford amendment to increase funding in function 500 in the budget resolution for education, I strongly express the hope that my Senate colleagues will vote overwhelmingly in favor of its adoption.

In its recent report, the National Commission on Educational Excellence stated, without equivocation, that our Nation is at risk because of the condition of our public education system.

The Commission report went on to say:

> It is . . . the America of all of us that is at risk; it is to each of us that this imperative is addressed.

To each of us, the 100 Members of the U.S. Senate representing that America of all of us, is remanded the duty and the responsibility to help bring the Nation back from the brink of chaos and back from mediocrity to a state of excellence.

The most chilling words I would have ever expected to read in a report on the condition of education in this country were the words:

> If an unfriendly foreign power had attempted to impose on America the mediocre educational performance that exists today, we might well have viewed it as an act of war. We have, in effect, been committing an act of unthinking, unilateral educational disarmament.

I know that all of my colleagues speaking both for and against this budget amendment today have used their favorite quote from the Commission's report, and if they are opposed to this amendment, they have quoted the Commission's report as though it supports their opposition to more Federal funding for education. Those who, like myself, use it to justify additional Federal spending—a Federal role—in education for the children of America, are just as sincere in their views.

It does not take sincerity, or genuine belief, in one's own philosophical views about fiscal responsibility, to at least admit what all of us know—have known in our hearts for some time—and that is that our educational system is not producing educated individuals, not with the functional illiteracy rate on the rise in this country, when high school graduates cannot even read a first-grade primer, nor a menu in a restaurant, nor a bus schedule that might, if they could decipher it, take them to a job on the other side of town, or at least to a job interview. The President has, on several occasions, whipped out his copy of the Post's want ads, stating with firm conviction that there are jobs out there if the unemployed would only apply.

How many of the unemployed—particularly the unemployed young people in this country—are unable to read the very complicated listings on the Post's want ad pages?—much less apply for those jobs which probably would involve filling out forms—application forms, health insurance forms—very complicated indeed.

Those who oppose these dollars for education—elementary, secondary, student aid, handicapped—do so stating that they are concerned about deficits. They will say that we should take care of the deficits first—reduce Federal spending—and in later years, we can as the economy begins to recover, increase funds for education and other domestic programs.

But I say to my colleagues that we do not have the luxury of waiting.

In my own State, it took a judge's decision on a case that lingered in West Virginia courts for 10 years, to finally make educators and parents alike realize that our State's children were not being educated properly—were not, in fact, being guaranteed their constitutional rights to a thorough and effective education. As a result of that court decision, a master plan was designed by a committee of 99 educators, parents, business executives, and tax experts—and it addressed the need for better education curricula, text books, instructional materials, teacher competency, higher expectations of high school students in course work requirements—more government, civics, languages, art, and music. It mandated parental advisory committees statewide and school district wide and at local school site levels.

The Committee of 99 did many things in accordance with the specific dictates of the court order—including their view that it would take 17 years to phase in each and every improvement specified. The judge who issued that order sent it back to the committee and told them that they did not have the luxury of waiting 17 years, and so they are now revising the plan to phase in changes and improvements at an accelerated rate. The people of West Virginia, with the highest unemployment rate in the Nation, with coal mines and steel mills that may never reopen, even when the economy comes back strongly, those people are going to have to approve the expenditure of funds, of increased revenues, to finance an adequate education for our State's children at a time when they are hardly in a position to raise taxes for any purpose.

And so I say that despite the deficits—despite our deep desire to be fiscally responsible and cut Federal spending—we cannot allow ourselves to condemn our children—our national resource—our greatest asset, our future leaders, and every other rhetorical, flowery phrase you have ever heard uttered about what our children mean to us, to continued mediocrity and worse, several generations of illi-

terates, unable to function in the post-industrial age.

If we have a health problem, we go to a doctor. First, we have to know our worst symptoms and be able to describe them to the doctor. How else can he diagnose the illness or disease? The Commission on Excellence in Education has sought out and learned the symptoms of the disease affecting our educational system, they have diagnosed the problem. The next step, after diagnoses, for our doctor is to suggest treatment. Will we treat it with snake oil remedies and ignore the doctor? Or will we listen to him and take the prescribed treatment, even if it means surgery? Most of us will take the doctor's advice—because the seriousness of the disease may not allow us the luxury of waiting—even if the treatment or the surgery is expensive. To wait may mean sure death.

If we do not address the needs of our young people in the schools and colleges across this Nation now—today—we may be sounding the death knell, not only for the institutions, but for the minds of those who depend on those institutions for sustenance, nourishment of the mind, the development of skills, talents, gifts of individuals who will, all rhetoric aside, become tomorrow's leaders.

Recent surveys in West Virginia show that over the last 9 years, students assisted under higher education student aid programs increased 282 percent, and the funds awarded from these programs to those students rose by 743 percent. That is not just a significant gain or increase, its a phenomenal increase.

What it does prove is that; It clearly indicates that large number of West Virginia college and university students rely heavily on financial aid for assistance in reaching their educational goals. And, since the majority of assistance awarded is need-based, it is clear that without this financial aid, thousands of able but needy students would be denied access to higher education.

In 1981-82, $15.3 million was awarded in Federal grant aid. The Pell grant program made 15,302 awards and accounted for 82.9 percent of the Federal outlay for grants and scholarships in West Virginia colleges and universities. The average Pell grant was $982 for recipients in private colleges and universities, and $795 for public institutions. Students at public institutions—76.7 percent of those awarded—received 72.8 percent of the total funds from Federal programs.

Federal loan and employment programs provided for 28,881 awards totaling $41,068,879 in 1981-82. Only 12.3 percent of this amount was for employment assistance—college work-study—with the balance being supplied by loan programs, money to be repaid by students when they complete their studies. The guaranteed student loan program was the largest of the Federal self-help programs with 76.8 percent of the total awarded in 1981-82.

Yet West Virginia had another self-help student aid program at work in our colleges and universities, where institutional aid amounted to $6.7 million in 1981-82, going to aid 8,929 students, 80 percent of whom were students who have high academic ratings or have special extracurricular talents leading to specialized degrees.

Mr. President, the increase in Federal funding for student assistance in my State, over the past 9 years, of more than 200 percent, did not show the number of students being aided, also increased by 200 percent. The number of individual awards increased by only 81 percent—reflecting the upward trend in educational costs which necessitated larger awards.

This statistic alone—for our State as well as the Nation—is justification for the increased funding for education contained in the Hollings amendment, and particularly that portion to be allocated to student aid; the costs continue to rise dramatically.

But, Mr. President, educational financing needs are not confined to higher education, as is shown by the breakdown of funding for all levels of education in the Hollings-Stafford amendment. The needs of disadvantaged children in elementary schools, aid for the handicapped, aid for children in schools impacted because of Federal installations—vocational education's needs that are so obvious in an increasingly technological country where skills training is changing from welding and printing to the computerized and robotized technology—all of these education needs in our States and localities must be served.

Mr. President, I am sure my colleagues will agree—we have the Commission's report on educational excellence from which we learned there is not much excellence to point to—and we have been told by the Commission that we must act and act now and keep on acting to bring excellence out of mediocrity. And the Commission acknowledges that we cannot expect it to be cheap—it will cost money. And I submit that if each and every one of us would admit it to ourselves, we have seen this coming. We knew, before the Commission reported, that our educational system is not doing the job. There were not all that many surprises in the Commission's report, at least not for me. I stay close to education, close to our schools. I visit them. I audit classes. I have seen it coming; I have noted many of the inadequacies specified in the Commission's report. I have asked questions and I have inquired and I have admonished school officials, teachers, and parents for not supporting their local schools—and though I am fully aware that the blame falls on all of us—Federal, State, and local—I have known for some time that insufficient amounts of money were available to do the job and do it right.

"It is by our willingness to take up the challenge, and our resolve to see it through, that America's place in the world will be either secured or forfeited. Americans have succeeded before and so we shall again." Familiar words? They should be—they are my final quote from the Commission's report on excellence.

It is my sincere, deeply held prayer that my colleagues will vote in favor of the pending amendment to increase, by approximately $1.5 billion dollars, the budget in function 500, for all education in fiscal year 1984.

● Mr. PRYOR. Mr. President, I have become increasingly alarmed—along with many of my Senate colleagues—by what this Budget resolution says about education and the priorities of this country.

Over the course of the past weeks and months, I have talked to school administrators, to teachers, and to presidents of several colleges and universities in Arkansas. And from them I have heard a similar concern. Theirs comes, in a sense, from the trenches—directly from those schools and campuses in my home State that are destined to bear the burden of cuts in education.

Because of these concerns, Mr. President, I want to pledge my support for the Hollings amendment to add $1.5 billion to the funding reported in the resolution. The recently published report by the National Commission on Excellence in Education is entitled, "A Nation at Risk: The Imperative for Educational Reform." It follows 18 months of work, and it outlines in eloquent terms what might happen to this Nation if we should fail to adjust our priorities.

This report calls for sweeping changes in every area of education, from teachers' salaries to a more rigid curriculum. It spells out the need to support with all our resources not only mainline public education programs but also special training for the handicapped, and for adults, and for the disadvantaged.

The present amendment would go a long way toward addressing many of the problems outlined in this report. Here are some specific concerns included in this legislation:

Title I—currently only half of the 11 million eligible students are served; this amendment reverses the trend of dropping students and begins restoring compensatory education services.

Handicapped education—currently Federal funds for this program amount to only 9 percent of school district costs; this amendment would re-

verse this decline and increase Federal participation as required by the authorizing law.

Math and science education—the amendment would provide funds for a new program to meet critical economic and defense needs.

Vocational and adult education—to obtain and keep jobs in the increasingly competitive job market requires training and skill upgrading; this legislation restores funds to programs that need this objective.

Bilingual education—currently only 205,000 of the estimated 3.5 million non-English-speaking children receive assistance; this amendment maintains the current level of service and makes for a modest expansion.

Impact aid—this year less than 50 percent of the school districts receiving assistance in fiscal year 1979 still receive aid; the present amendment would allocate more funds so that the burden local school districts must meet due to enrollment caused by Federal activity is reduced.

The current amendment would provide similar support for higher education. During the past several years, higher education has been trimmed severely. Since fiscal year 1980, Federal student assistance has declined 32 percent in constant dollars. And yet the median undergraduate tuition has increased over 30 percent since fiscal year 1980.

This amendment would raise the ceiling for higher education by about $700 million in the guaranteed student loan program, and it would allow an additional 500,000 student awards. A total funding for student aid in fiscal year 1984 would increase by $50 million over the current fiscal year 1983 appropriations level.

I believe this measure represents a fiscally responsible investment in America's future. Surely it meets the challenge of an American nation "at risk" by assuring us that our young people will receive the best in education and training.●

Mr. GLENN. Mr. President, I rise to cosponsor this amendment to increase funding for elementary, secondary, and higher education programs. This amendment restores funding to a broad range of essential programs of proven worth and effectiveness. Specifically, it allocates funding to: Elementary and secondary education—title I, aid to the disadvantaged, chapter 2, State block grants, handicapped education, vocational and adult education, impact aid, and bilingual education; for higher education—Pell grants, SEOG, college work study, NDSL, SSIG, TRIO, and title III; and a new math and science program. In short, it reaffirms our commitment to the principle of opportunity and represents a badly needed and fiscally responsible investment in America's future.

Last week, the National Commission on Educational Excellence warned that America is now a country "at risk." The Commission reported that a "rising tide of mediocrity" in our schools is "(threatening) our very future as a nation and a people."

We have all read the statistics:

Thirteen percent of all 17-year-olds in the United States are functionally illiterate. Among minority youth, the figure may run as high as 40 percent.

Average achievement of high school students on most standardized tests is now lower than when Sputnik was launched 26 years ago.

Over the past 17 years, expenditures for textbooks have declined by over 50 percent.

In 35 of these United States, students can graduate from high school without taking more than a single course in mathematics or science—and in too many cases, that course can be health and hygiene.

We are almost to the point where knowing how to wash your hands qualifies our students for a diploma.

But maybe none of this should be too surprising. Because when we stop to think about it, our Nation has all but washed its hands of education for some time now.

Fifty years ago, Franklin Roosevelt said that "the school is the last expenditure upon which America should be willing to economize." Fifty years later, the Reagan administration has sought to make education the budgetary target of first resort. Apparently, they believe that if a little education is a good thing, even less is better.

Why else would they propose a 1984 budget that cuts a billion dollars from what Congress has already appropriated for education? Why else would they slash compensatory education by 10 percent—and vocational and adult education by 40 percent?

And so it goes in program after program. Impact aid: down 15 million dollars. Bilingual education: slashed 33 percent. Pell grants, supplemental opportunity grants, State student incentive grants: all zeroed out. It getting to the point where "zero option" does not just describe this administration's arms control policy for Europe—it also describes their education policy for America. Last week, in fact, the administration's own Commission described what has been happening as "an act of unilateral educational disarmament."

The White House says that it is concerned about all this and wants to help. So first they helped by trying to grant special favors to segregationist academies that racially discriminate. Then they helped again by asking for tuition tax credits that would weaken our public schools even more. And just last week the President repeated his pledge to solve the education crisis by promoting school prayer and abolishing the Department of Education.

And yet—despite its dismal record—the administration still insists that it is for education. But we know what they really mean. They are for education—if the Federal Government has no part in it. They are for education—but preferably by private schools. And they are for education, except when it costs money.

But it is not enough merely to criticize. Scapegoating is not going to solve our problems—and finger pointing is not going to turn this situation around. If we hope to regain control of our country's destiny, we must prove that we have learned from the mistakes of the past—and that we have better ideas for meeting the challenges of the future.

A sound education policy for the eighties must be based on three overriding principles.

First, we must recognize that education is not just an expense, Education is an investment—an investment in our country, in our children, and in ourselves. If we make that investment, we can meet the challenges of the future and remain a leader among nations. But if we refuse to make it, both our country and our people will fall further and further behind. People are America's greatest resource—and with proper education, incentives, and leadership, our people can still outwork, outproduce, outinvent, and outcompete anyone on the face of this planet.

They can, that is, if we give them the opportunity. And that is why providing an opportunity to achieve excellence must be the second principle of our education policy.

But excellence must never be sought at the expense of equity. In fact, excellence and equity go hand in hand. We cannot achieve one by sacrificing the other. Just as we cannot raise our Nation's sights by lowering our standards, neither can we hope to move our Nation ahead by leaving some of our people behind.

It is a big effort—and everyone must play a part. Teachers must keep standards from dropping, grades from inflating, and performance from slipping. Parents must become more interested and involved—and accept nothing less than their children's best.

Those of us in government must do our part as well—by seeing to it that every person in this land receives the best possible instruction under the best possible circumstances.

That brings me to the third principle. In today's world, schools need not be only for children—and education should be more than memorizing information. Perhaps now as never before, American education must prepare our people for the rights and responsibilities of citizenship. That means giving our young people the

basic skills they need to survive in a rapidly changing world—and it means giving adults the training they need for new jobs. But above all, it means giving all our people the tools they need to become full-fledged citizens in our democratic system of government. In short, today we need two kinds of education in this country: one that teaches people how to make a living—and one that teaches them how to live.

If these three principles are accepted as a proper foundation for American education, then it follows that education is a national interest that demands Federal support.

While education should continue to be primarily a State and local responsibility, because unnecessary Federal intervention will only poison the wellspring of educational creativity that exists in the 16,000 local school boards across this country that does not mean that the Federal Government should stand by and do nothing. As the Commission put it, Washington's job is to "identify the national interest in education * * * (and then) help fund and support efforts to protect and promote that interest."

That requires a number of things.

First, the Federal Government must do all it can to insure equal access and opportunity in our school systems. That means enforcing civil rights laws and giving the disadvantaged the help they need to compete. It means renewing proven programs like title I and Head Start, and it means restoring grant and loan programs to bring higher education within the reach of everyone.

Second, the Federal Government should cooperate in the effort to train and retrain our workers. Without Federal assistance, neither communities nor individuals can keep up with the rapid changes occurring in our economy and technology. Continuing education is not a luxury anymore—it is the key to our country's economic survival. And that is especially true for workers whose jobs will never return.

We all know who these workers are: They are steelworkers in Youngstown, auto workers in Detroit, and rubber workers in Akron. These people were the lifeblood of America's industrial heartland—and we can no more turn our backs on them than we can turn our backs on the cities and communities in which they live. That is why we ought to consider a trust fund to provide displaced workers with loans for education and training—and that is why I have directed a task force to examine this proposal.

We cannot stop there. Mastering the challenges of the 21st century requires a population that is both scientifically and technologically literate. That is why it is crucial to improve science and math education at all levels—and to increase the number and quality of science and math teachers. We can do it with summer institutes for current teachers and with congressional fellowships for prospective ones. Restoring our scientific leadership will mean increased Federal support for science education, modernization of our laboratories, and upgraded graduate and postgraduate fellowships for training and research.

To be sure, none of this will come cheaply. Excellence costs money. But as the National Commission on Education stated in its report, "mediocrity costs far more in the long run." So if the Reagan administration really wants to help, let them understand that it is not enough merely to pray for excellence; we must also be willing to pay for it.

Finally, it is vital that all the measures I have outlined be administered through a Cabinet-level Department of Education. We can achieve our goals of full employment, increased productivity, and a strong national defense only if we have an educated citizenry—and any discussion of our national goals must include the voice of education.

Mr. CHILES. Mr. President, the distinguished chairman of the subcommittee wished to speak. Before I yield to him, I yield to the Senator from New Mexico.

Mr. DOMENICI. Mr. President, I do not think we have had an amendment offered since we came to the floor from this Budget Committee that was not couched in terms of crisis—whether it was a crisis in uninsured long-term unemployed, a crisis in medicare, or a crisis in unemployment benefits. It seems to me that if we just followed the argument that we have a crisis in almost every part of the country and almost every aspect of either government or the private sector, what we ought to do is come to the floor and, in each instance, offer an amendment to increase spending in the budget to address that crisis. I have not had an opportunity to read the National Commission on Education report, "A Nation at Risk." I have used that word "risk," I would note about the economy, and about the various approaches we might even be thinking about to solve the economic problems. But I did ask for a summary of that report.

It is amazing. If that Commission really thought that a lot more money from the Federal Government was the way to improve education in this country, I think it would have been very easy for them to suggest in plain, old, simple English language that what we need is a lot more money from the Federal Government. I am safe in saying that it does not say that.

That does not answer the question before us today, but it does, in a sense, put this argument into some perspective. I hope no one in this institution thinks the Senator from New Mexico is against the Federal Government taking a significant role in helping our States and local districts with education. Just so there is not any misunderstanding, I am for a significant Federal role. I do not have any philosophical hangup about that. I think there is a leadership role, and I think there is a role for encouraging and prompting the States to assume responsibilities that they might be prone to ignore because they are high risk, or because they are the type of education that the States are accustomed to.

Mr. President, I also am not one who has been on the opposite side of major education groups in this country in the past. The NEA has been mentioned here. This one Senator—not when he first ran, but when he ran for reelection, for the record, received their endorsement. I assume that will end as of today. Nonetheless, let me suggest that that is indicative of my thinking about education.

In addition, I happen to have eight children. Three of them are not through high school yet. They are still in high school, and I have three or four in college almost all the time; I think it is never going to end. It used to end after 4 years in college. Now education includes postcollege, doctorates, law work. I have not had any choose a career in medicine yet, so I guess their education will end, maybe, 10 or 12 years from now. If any of them choose to be doctors, it will probably end 18 or 20 years from now.

In addition to that, I happen to have had the privilege of being an educator. Maybe those in the education field would say, well, you left us and you do not know what it is about.

But I think I do. I loved it; thoroughly enjoyed it. I think I was a good teacher. I left because I was challenged to do something else.

I only tell the Senate that because I am not opposed to a Federal role in education or opposed to spending money on education. The Senate Budget Committee that I preside over, whatever the philosophical ideas of its individual members, does not think that either. They do not think the Federal role ought to cease. In fact, they think it ought to increase in terms of dollars. As a matter of fact, this is my third year of presiding over that committee, and never has that committee recommended the President's numbers on education. We have always come in with more than the President asked for. This year is no exception. In fact, we recommend $5 billion more than the President requested in this function. As a matter of fact, in the part of this function that has been talked about most today, elementary and secondary education, we added 9 percent to last year's budget, increasing it from $6.6 to $7.2 billion.

I do not stand before the Senate and say that is absolutely with all certain-

ty, unequivocally enough. I do not know if it is enough. What I do know is that there is hardly any function of Government that you can discuss in this Chamber to set a spending level or a target—which is all we are doing today—without somebody saying we need more. That is the nature of things. There is nothing new about that, nothing different. These are difficult times, and consequently the rhetoric is a little stronger. Perhaps from time to time the rhetoric offers a little more incentive for us to be concerned and think about spending more. I do not talk about breaking the bank everytime someone proposes spending money. I understand we have huge deficits, but I also understand almost every area of the Federal Government wants more money. If it is not the Congress who wants to spend more, sometimes it is the President. He wants to spend more in defense than we do. He wants to spend more in foreign assistance than 51 Senators want to. Between the President and the Members here in the Senate there is rarely an issue we can bring to the floor without somebody saying, "I want to spend more."

I just want to set the record straight. We will vote today. I understand there will be a substitute amendment costing something between the Budget Committee and $1.5 billion increase proposed by the distinguished Senator, Senator HOLLINGS. I will listen to debate on that substitute. I might support it. But basically, we should know that the Senate Budget Committee has already recommended increasing spending in elementary and secondary education by 9 percent over the fiscal year 1983 level.

It is still up to the appropriators as to how they create the mix of program funding within this total functional amount. Some of those who support the Hollings amendment are telling us that the total of $14.9 billion that we advocate is less than fiscal year 1983. It is a half a billion dollars more.

I will tell Senators why this is right and why they are wrong. There is $700 million in fiscal year 1983 student loan budget authority that is not going to be spent because interest rates went down. We "saved" $700 million. Those who advocate this amendment do not want to take into account that $700 million reduction in the 1983 level.

I want to note that a bipartisan majority of the Senators on the Budget Committee recommended $14.9 billion for fiscal year 1984 which is $500 million more than fiscal year 1983.

Now, in passing I should like the Senate to know—I have not searched the record on this but my intuition tells me I am right—that if the Hollings mark is adopted we will be at $16.4 billion. This will be the first time that the Senate in a budget resolution has recommended more than the House in this function. They recommend only $16.3 billion and that budget has been heralded across this country as a budget that is unrealistic.

I do not need any more time in opposition. I understand there is a substitute. Unless somebody else has something to say with reference to the Hollings amendment, I am prepared to yield back the remainder of my time.

Parliamentary inquiry. Has the time in favor of the amendment expired?

The PRESIDING OFFICER. The time of the proponents has expired.

Mr. DOMENICI. I yield back the remainder of my time.

AMENDMENT NO. 1238

Purpose: To increase the budget ceilings to allow increased funding for elementary and secondary education programs and student financial assistance

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. RUDMAN. It is my understanding that all time has been yielded back.

The PRESIDING OFFICER. The Senator is correct.

Mr. RUDMAN. Mr. President, I send to the desk an amendment in the second degree on behalf of myself, Senator DURENBERGER, Senator ABDNOR, and Senator DOMENICI, and ask that it be immediately considered.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New Hampshire (Mr. RUDMAN), for himself, Mr. DURENBERGER, Mr. ABDNOR, and Mr. DOMENICI, proposes amendment numbered 1238.

Mr. RUDMAN. 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:

In lieu of the language proposed to be inserted, insert the following:

On page 3, line 13, strike the number and insert "$910,100,000,000."

On page 3, line 14, strike the number and insert "$982,575,000,000."

On page 3, line 15, strike the number and insert "$1,048,900,000,000."

On page 3, line 19, strike the number and insert "$850,000,000,000."

On page 3, line 20, strike the number and insert "$910,675,000,000."

On page 3, line 21, strike the number and insert "$964,400,000,000."

On page 4, line 1, strike the number and insert "$163,500,000,000."

On page 4, line 2, strike the number and insert "$147,400,000,000."

On page 4, line 3, strike the number and insert "$133,600,000,000."

On page 4, line 7, strike the number and insert "$1,591,300,000,000."

On page 4, line 8, strike the number and insert "$1,789,400,000,000."

On page 4, line 9, strike the number and insert "$1,979,600,000,000."

On page 4, line 14, strike the number and insert "$207,400,000,000."

On page 4, line 15, strike the number and insert "$198,100,000,000."

On page 4, line 16, strike the number and insert "$191,200,000,000."

On page 16, line 4, strike the number and insert "$31,200,000,000."

On page 16, line 5, strike the number and insert "$27,200,000,000."

On page 16, line 11, strike the number and insert "$27,900,000,000."

On page 16, line 12, strike the number and insert "$27,800,000,000."

On page 16, line 18, strike the number and insert "$27,900,000,000."

On page 16, line 19, strike the number and insert "$27,800,000,000."

Mr. HOLLINGS. Mr. President, will the distinguished Senator from New Hampshire permit me to ask for the yeas and nays on the Hollings-Stafford amendment?

Mr. RUDMAN. Yes.

Mr. HOLLINGS. Mr. President, I ask for the yeas and nays on the Hollings-Stafford amendment.

The PRESIDING OFFICER. Unanimous consent is required to ask for the yeas and nays.

Mr. HOLLINGS. I ask unanimous consent.

The PRESIDING OFFICER. Without objection, it is in order to request the yeas and nays on the Hollings amendment.

Mr. HOLLINGS. I request the yeas and nays.

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

The yeas and nays were ordered.

Mr. RUDMAN. Mr. President, I have spent a part of this afternoon listening to this debate because I think the debate is important. I believe the debate addresses an issue which is of paramount importance to the country.

In many ways, if the genesis of the economic problems of this country were better understood, I expect that we might find that in many ways it has been the failure of education in this country to prepare young Americans for the kind of employment that is vital for the age in which we live.

I have been a consistent supporter of educational programs as they have come to the floor. As a member of the Senate Appropriations Committee, serving on the appropriate subcommittee, I have always voted for what I believe would be adequate funding for the functions of which we speak this afternoon.

However, Mr. President, I must reluctantly come to the conclusion that the amount contained in the amendment offered by the Senator from South Carolina and the Senator from Vermont, of $1.5 billion, is, in my view, in light of the current economic situation and in view of the realistic growth of programs across the scope of our Government, more than we should approve today. Thus, what I am offering is a substitute; because I, too, share the belief of my friend from South

Carolina that the amount in the budget resolution is inadequate.

So, in order to come up with a number, I thought what we ought to do would be to add enough not only to keep pace with inflation over the 1983 appropriation but also to have a small additional increment. Thus, this amendment adds $400 million. In addition—and this I think is significant—it eliminates the language of forward funding under a section of the resolution, so that the net financial impact of this amendment is to add $600 million.

I parenthetically add that the amount for math and science teacher training remains identical to that in the pending underlying amendment.

Mr. President, why do I think this is what we ought to do? I think it because the fact is that we are facing deficits, depending on whom you wish to talk to, of between $160 billion and $200 billion.

The House budget for function 500 is $39 billion, or $8 billion more than the Senate level. I think that, unquestionably, the amount that will finally be approved in the budget resolution that comes out of conference, and thus the amount of money that will finally come before the subcommittee of the Appropriations Committee chaired by the Senator from Connecticut, will be an amount at least equal to the rate of inflation for 1983 and perhaps a slight bit more.

I ask support for this amendment because I believe it has a realistic chance of being approved and eventually finding its way into an appropriation that would be approved by our President.

I want to depart from the specifics of the amendment to address in some further detail the excellent remarks made a few moments ago by the junior Senator from Washington.

We have had the opinion in this country for a long time that problems of a general nature can be solved by money paid in a specific nature. It is most interesting to read the report. I have read a good part of the report. I should like to quote three sections of that report, since this debate is important in terms of many issues which we will not confront in this resolution. I will read three sections:

First—

High school curricula has been diluted because students take too many nonacademic classes, such as training for adulthood and marriage. One is forced to wonder how many of these nonacademic classes or "frills" were paid for with federal money.

Second—

The amount of homework has decreased, and textbooks are poorly written. Students are not challenged.

On the matter of time, the Commission's report is interesting, particularly when compared to the time spent in the school systems by young people in Europe and in the Far East.

Time—the most valuable resource of all—is not used wisely. Compared to other nations, American students spend less time on schoolwork; time spent in the classroom is used ineffectively; schools do not do enough to help students develop study skills or the desire to learn.

Finally, the feature shortage, which has been alluded to by every speaker here, is covered in more detail by the report of the Commission.

Let me relate a little about my own State—although sometimes I think the Senator from South Carolina, who has spent more time in my State in the last 6 months than I have, probably knows more about it than I do. But let me attempt to educate the Senator from South Carolina about things in New Hampshire that he might find out about that State, but in pursuit of other things.

The State of New Hampshire has no State income tax. The State of New Hampshire has no State sales tax. The State of New Hampshire has no inheritance tax. As a matter of fact, the tax base of the State of New Hampshire is very narrow, resulting in its being 49th or 50th this year in State aid to education. Because of that failure, there are certain Federal programs for which the State does not qualify.

The great part of education in New Hampshire is supported by locally funded property taxes which, surprisingly, are not particularly higher than those in adjoining New England States that have all those taxes that New Hampshire does not have.

The average amount of money spent per capita on students in New Hampshire at the elementary, secondary, and high school levels is from the middling to the lower part of the spectrum in New England and about in the middle to the lower part of the spectrum nationally.

Mr. President, with those statistics you would expect to find very poor performance.

Also, last year again, year after year, students in the public schools of New Hampshire scored higher on the SAT scores and the achievement tests than did their counterparts in New England.

I would not submit to this body that there were no other reasons for that and that the only conclusion you could draw was that money alone does not solve the problem.

But I do think, Mr. President, it is illustrative of something and what it is illustrative of is that school districts that have relatively scarce funding tend to use funds very wisely.

I submit that anyone who wants to see how education is taught in New Hampshire would find it very interesting that in the elementary schools in the towns and the regional high schools very little money is wasted.

Sure, our students did not get some advantages they have in wealthier school districts. They do not get some of the optional courses in marriage and child rearing and flower growing and all the other things that we spend hundreds of millions of dollars on.

But I will tell you that they learn how to read, they learn how to write, and they learn how to add, subtract, multiply, and divide.

So I will simply close by saying this: Yes, the amount in the proposal by the Senator from New Mexico in the budget proposal is probably not adequate because of a failure to fund math and science to the sufficient level and some of the areas in which the Senator from New Jersey was referring, but we do not have to tell the American people we have to find another $1.6 billion to educate American children when there is very little proof whatsoever that any additional money, the way we are spending it today, will add one quantum of merit to how they achieve in their schools.

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

The PRESIDING OFFICER (Mr. JEPSEN). Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. RUDMAN. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. HOLLINGS. Mr. President, the distinguished Senator from New Hampshire is quite correct. I have been in New Hampshire. I have learned to admire him and become very fond of New Hampshire. I hope I can be back before I get through the New Hampshire calendar.

When you get through New Hampshire you notice a stark difference. I wish to acknowledge the basics in the approach in the lack of waste. I am not taking issue with the educational approach of the State of New Hampshire.

But when he talks about local taxation, having ridden through that wonderful State, and it is almost like a community from one end to the other, in an evening, one begins to understand in riding through my State or coming in some parts of the city or going again to parts of Newark, N.J., and some of the other cities that to put it on just local taxes there just would not be any schools. It is a sad situation but it is a fact of life.

We have the lower per capita income States. The distinguished Senator points out the very interesting features of not having to have an income tax or an inheritance or a sales tax. I wish it were so. The fact of the matter is that the only way we can really begin to institute an educational facility for the local school needs was with the sales tax.

I happened to have authored that back 33 years ago. I saw the local school effort, and I wish I could have taken him to the Freedom School where they had the flag and freedom. They had no less than four classes in one big room, and the four classes in the room had these wide little desks where there were all minority students, and there were four students seated at a desk and they were not any wider than the Senator's desk right here.

You say physically you could not jam them in. I think I can find that picture and show you were they were jammed in.

There was one teacher for the four classes. That was what was going on with the local effort, and they did not get around to the basics of reading, writing, and arithmetic, like our distinguished friends from New Hampshire have been able to.

That is why we need this kind of assistance because we are competing with Japan for one country. That is why we find the private, public, church and public schools, North and South, elementary and secondary, higher education, all have joined in our particular amendment for the $1 billion more, actually some $900 million more than the amendment of the distinguished Senator from New Hampshire because we know of the general need overall.

I see where in essence the distinguished Senator has matched our increase on math, science, handicapped, and bilingual, but there is one thing that I found out with respect to the Senator from New Hampshire in that he was a leader in higher education.

I am a little distressed having learned of his reputation to see him cutting our figures in higher education.

As we went down our particular list, we find that we had put in Pell grants some $600 million and if I read correctly the amendment of the distinguished Senator from New Hampshire cut that back to $170 million.

So we are going to cut the Pell grants and not provide for the $100 million increase in college work study, the $85 million in supplementary educational opportunity grants, the $9 million in national direct student loans, and some $17 million in State student incentive grants.

The authorities and those interested from New Hampshire actually participated, of course, in our correlation of this particular effort, and we did pare back. I wanted more myself, and I am confident in conscience the distinguished Senator from New Hampshire wants more.

I just have to pick and I will have to admit there is no discipline here, and I still try some self-discipline. That is what the educators have done from all over the country here and in this 80-some group that have correlated this effort in trying to have some majority vote increase here for education and in essence, as the Senator from New Mexico, the distinguished chairman has pointed out, slightly over the House $100 million. We wanted to match that particular effort and lock it in to this particular budget resolution and in that give and take I would hope that the Senator from New Hampshire would not go and cut these higher education programs.

It is just one of those things that we need very, very greatly.

I talked on some of the campuses there in New Hampshire. I hope to travel to every one of them and in fact the effort made not just at the local school level of reading, writing, and arithmetic but perhaps the most impressive thing is the higher education effort made in New Hampshire for the various little colleges around, all strong liberal arts endeavors. Of course, you have the great Dartmouth College, the university itself, Franklin Pierce College—all around everywhere I look I find an outstanding college that I remember the name of or a graduate from, and I am using those names, incidentally, because they are writing letters for me. I love to see that happen.

I want the Senator from New Hampshire to look as I am looking and as I have told our distinguished friend, Senator GORTON from Washington, now this is a matter of priorities.

Neither one of us are balancing the budget. The distinguished chairman of the Budget Committee is not balancing the budget. None of us are.

So what we are really talking about are those priorities, and we know intimately where we can give and pick up this modest amount in education across the board.

That was the one distinctive feature that really came to the fore in both "A Nation at Risk," the Commission on Excellence in Education report and the New York Stock Exchange. It was not just the math and science teachers. We provided for that and we acknowledged it, but Senators and Congressmen, too, want to identify a singular point and work it to death. It is the long hard buildup. America on the road to improved education is not the 100-yard dash but it is the endurance contest, and if we are going to start with that buildup amidst our economic difficulties with respect to balancing the budget then heaven knows let us not put it totally out of kilter with some 66,000 extra civilians added on at the Pentagon where I think they must be filling up the inside where we cannot see them. They must all be in hammocks around and out in tents. I am going out there to see if they have put out pyramidal tents on the inner loop in that Pentagon building. But they have jammed more than a million and a half more additional civilians over there since this group has come to town and they have cut education. It is a bad move. It weakens the security of the country. It was Edmund Burke who said "Education is the chief defense of a nation." Let me yield to our distinguished chairman.

The PRESIDING OFFICER. Who yields time?

Mr. STAFFORD. Mr. President, does the Senator from South Carolina yield me time?

Mr. HOLLINGS. Yes.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. STAFFORD. Mr. President, just a very few observations and I will make them brief. The debate has been long and I think we are approaching the time for resolving the matter.

First, I want to point out that the figures contained in the amendment proposed by Senator HOLLINGS, myself, and more than 20 cosponsors are basically the figures which I individually, but as chairman of the Subcommittee on Education, asked of the Budget Committee, so they have not been taken out of a hat or out of the air. They were figures which were considered at length, and we considered them the basic additional figures necessary for education in fiscal year 1984 if we were to restore the funding of the Federal Government to education in this country to the level back about fiscal year 1981. It is not really an increase.

Then let me look at the amendment, very briefly, which has been proposed by my good friend and neighbor from New Hampshire, Senator WARREN RUDMAN, which, as I understand it, would reduce the increase proposed in the Hollings-Stafford amendment to $400 million. Let me first indicate that the Hollings-Stafford amendment proposes an increase of $540 million for chapter I of the Elementary and Secondary Education Act, and that is designed to serve an additional 1.1 million disadvantaged children. I never have been strong on mathematics, but by a very hurried computation, if the distinguished Senator from New Hampshire prevails, 800,000 of those 1.1 million disadvantaged children not now served will continue to be without service.

Looking at the Pell grants, our amendment proposes an increase of $540 million to allow for the participation of an additional 580,000 students with financial need to participate in higher education. In fact the Pell grants are the means of access for needy students to have an opportunity to go to college. If the Rudman amendment prevails, instead of 580,000 more students having this opportunity to go onto higher education, 435,000 will have to stay home, and that cannot be made up later.

College work study, the amendment proposed by Senator HOLLINGS and myself and our cosponsors, proposes $50 million for college-work-study jobs. It would assist 63,000 needy students otherwise unable to go to college in all probability. If the Rudman amendment carries 51,000 of those 63,000 will not have that opportunity.

Under supplemental education opportunity grants the Hollings-Stafford amendment proposes $85 million to give student assistance to needy students and it would provide aid to an additional 142,000 students. My very rough mathematics indicate to me that if the Rudman amendment carries, 85,000 or thereabouts of those students will not have that opportunity to go on to college.

So, I am going to close my brief participation in this part of the debate this afternoon by saying that I believe the money we invested in education, whether it be in kindergarten, in elementary and secondary education, or in postsecondary education, is the best investment that we can make of American tax dollars.

I believe with all my heart that the money we have proposed in the Hollings-Stafford amendment is the minimum that will get the job done, that will move this Nation ahead.

Educated children are the future of this Nation. If we bring up generations unequipped to deal with the technological world into which they will be entering, if they understand neither the marvelous machines that are being devised for commerce or the weapons that are being devised for war, if they are incapable of understanding the implications of using the weapons of war that are being devised, then I fear for the future of this Nation.

I hope, I just hope, as much as I admire the Senator from New Hampshire, that our colleagues will vote down his amendment and vote up that offered by Senator HOLLINGS and myself.

The PRESIDING OFFICER. Who yields time?

● Mr. EXON. Mr. President, the recent report by the prestigious Commission on the state of education in this country gives us all cause for concern. The basic responsibility for education in this country lies with State and local governments, but there is an important Federal role to play. The answer to our education problems, as many have pointed out, is not just a great deal more of Federal assistance. Changes have to be fundamental, and they must be made at all levels of government.

But the Hollings-Stafford amendment to the budget is a good faith effort to assist education in this country. One of my concerns about this amendment, however, is that it may not provide enough funds for the one education program which is totally a Federal responsibility: Impact aid. Some of my colleagues who support impact aid as I do believe that there should be an increase in the impact aid authorization to $600 million this year. The Hollings-Stafford amendment assumes that there will be a $535 million appropriation for the impact aid program. Could the distinguished Senator from Vermont, chairman of the Education Subcommittee, tell me what his intentions are with regard to the impact aid program should this amendment be adopted in the budget resolution?

Mr. STAFFORD. I am pleased to respond to my colleague. The Senator from Nebraska knows my feeling that aid to impacted schools is not our highest Federal education priority. Nevertheless, I acknowledge that impacted districts have legitimate concerns, and we have tried to address that in our assumption that the impact aid funding level would move to $535 million for fiscal year 1984. I am aware that there will be an effort to move that up to $600 million regardless of the outcome of this amendment.

I want to assure the Senator from Nebraska that should the Hollings-Stafford amendment become a part of the budget resolution; I will try to accommodate the legitimate concerns of impacted schools. But win or lose, I will be pleased to work with the Senator from Nebraska to address the concerns I know he has which involve the administration of impact aid. These concerns should be addressed at some point regardless of the level of authorization.●

Mr. DOMENICI. Mr. President, I am reminded that at a couple of places in my remarks I improperly stated that the amendment of the Senator from South Carolina added $1.6 billion. It is $1.5 billion and I apologize for the error and ask that it be corrected wherever it appears.

I would also say to Senator STAFFORD that I am fully aware of where the numbers came from. The Senator submitted them. I would just remind the Senate that it is rare indeed that a Budget Committee accepts the recommendations in toto of any authorizing committee. If we accepted all-such recommendations we would add another $30 billion or $40 billion to what we already have in the budget. Very rarely do we agree to allocate everything a committee requests.

I yield as much time as the distinguished Senator ABDNOR desires.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. ABDNOR. Mr. President, I thank the chairman for yielding.

I am pleased to be able to cosponsor the amendment offered by my friend and distinguished colleague from New Hampshire, along with the Senator from New Mexico and the Senator from Minnesota.

I believe this substitute is a very necessary addition to the budget. It provides an additional $400 million for education programs. I think it is a well-reasoned, well-thought-out, as well as a fiscally responsible approach to the needs of education at this time.

Let me say that this amendment will increase by $170 million budget authority for the science-math initiative, bringing to $400 million the total for this important new program. It is an increase of $170 million also for postsecondary student assistance, a very necessary expenditure, $50 million for handicapped education, and $10 million more for the bilingual education program.

I recognize that each of us considers certain programs of special importance—this particular amendment will also make possible what I believe to be a very necessary increase in impact aid.

Now this program, which is of great concern to many of us from States with Indian lands and military installations, was reduced more drastically than any other education program by the Omnibus Reconciliation Act of 1981. The amendment offered today by these two gentlemen, the distinguished Senator from South Carolina, Mr. HOLLINGS, and my good friend and colleague Senator STAFFORD, increases the outlays for impact aid by only $60 million. A mere pittance. The impact aid program is designed to enable federally impacted school districts to provide their students with a basic education. Obviously, adding more dollars for special programs—if we have additional dollars—is desirable. But I think we all agree that every child ought to have at least the opportunity to go to school. The law demands it.

Yet although I pleaded with you, gentlemen, and though I do not mean to complain too loudly, since I appreciate greatly the time Senator STAFFORD allowed me and two of the impact school superintendents from my State to make a plea to him, as the chairman of the Labor and Human Resources Education Subcommittee, for additional authority to provide adequate funding for the impacted schools, I have apparently failed to impress upon you the extreme need for additional impact aid dollars. I believe that there may be Members of this Congress that do not know exactly what impact aid is intended to do.

We may argue with our colleagues on the floor over what is a State, Federal, or local responsibility. But let me tell you that in the instance of impact aid, the education of federally connected children is strictly a Federal responsibility. Public schools responsible for educating military dependents and Native American children are particu-

larly dependent upon impact aid moneys.

Now, I just heard my good friend, the Senator from South Carolina, say that the best defense is a strong education. Well, for Heaven's sake, then let us give children who are the sons and daughters of our military people a chance to go to school.

Let me give you an example of one of the more serious impacted areas in these United States. It happens to be a part of the SAC installations, near Rapid City, S. Dak., at Ellsworth Air Force Base. The local school district, the Douglas School system, has an enrollment of more than 2,500 students, principally children of airbase personnel—nearly 80 percent of the children enrolled in its schools are military dependents. Prior to the opening of this installation, the community had only a little one-room school.

Today, it is one of the largest school districts in my State. Yet the local school board has given a pink slip to every one of its teachers—there are no teachers under contract for the 1983-84 school year. The board cannot afford to hire them. The school district has reached the legal limit of their indebtedness. If the board makes a financial commitment it is unable to meet, the individual board members become personally liable for the district's contracts.

Nevertheless, while I hear my colleagues pleading for more money for various categorical education programs, they do not seem to show much consideration for the children who may not have a school to attend in the event their school district does not receive adequate assistance under the impact aid program. So I wonder.

A moment ago, I heard my friend and colleague from New Hampshire and my friend and colleague from Washington suggest that we cannot buy a better education for the children of this Nation with merely more dollars. And from the Commission's report, the principal sponsor of this amendment cited very clear evidence that educational quality requires far more than dollars. And yet although some would plead for a few more dollars for their pet programs, they do not plead also for assistance sufficient to provide an education for children who live in impacted areas.

Let me cite another example because, again, I do not think all of my colleagues recognize fully the serious nature of this situation. Under Federal law, one county in the State of South Dakota, which has just one school for the whole county, is unable to tax 66 percent of its land. This land is tax-exempt because it is owned by Native Americans who do not pay local taxes.

Do you know what percentage of the school district's enrollment is comprised of Indian students? More than 85 percent, even more than the percentage of land that cannot be taxed. And the limited number of taxpayers are trying to pick up the tab. In fiscal year 1981, a rescission of 5 percent reduced impact aid payments to districts. Since then, payments have declined without regard for inflation. The Department of Education estimates that during the current fiscal year, Super "A" districts—those with the greatest Federal burden—are receiving only 72 percent of the amount to which they are entitled under the provisions of Public Law 81-874.

I hope to impress upon my colleagues the seriousness of this situation. If we are really serious about improving education and insuring that schools are able to provide their students with at least basic education, the least we can do, and must do, is provide every child with the opportunity to attend school.

Recently, my colleague from South Carolina, agreed to sponsor an amendment I plan to offer. This amendment, which amends S. 1008, the ECIA technical amendments package introduced by Senators HATCH and STAFFORD, would raise the authorization ceiling for impact aid by $145 million, and the Senator agreed to cosponsor my proposal. Yet, I am troubled to note that the $1.5 billion amendment before us, assumes an increase of merely $60 million for this vital program. It just does not add up. Mr. President, let me conclude by saying that I think the amendment offered by my able colleagues from New Hampshire and New Mexico is a necessary amendment, one that we should pass and, because of fiscal responsibility and the other reasons cited, we should reject the Hollings-Stafford amendment.

Mr. HOLLINGS. Mr. President, let me say a word to my friend about the impact aid. The Senator from South Dakota is exactly right. I joined in that move with him to assist funding for impact aid. He and I both serve on the Appropriations Committee.

I would strongly suggest that this is like the Aesop fable of the dog with the bone in his mouth. You are looking down at the mirror and you are looking at that impact aid and you are looking at a bigger amount, but if you drop what you have—namely, this Hollings-Stafford amendment—and you are going to end up with nothing. Because when we get into the competition, and that is why there has been such a good movement, in my opinion, for all the different education elements to get together. You might desire more for impact aid, and so would I. However, the other needs will come along relative to the handicapped, and title I for the disadvantaged, and others. That is why, since 1979, we have come down from serving about 4,300 school districts to serving 2,000. I hope to take it back up to 3,300 under my particular amendment.

But I am confident, while the Senator looks at it in a singular desire and interest of impact aid and he says you are putting more for it, by putting a lesser amount in there and trying to cut the Hollings-Stafford amendment down to $600 million, then what you have done is eliminated your impact aid. You will have a very, very difficult time actually receiving that increase. Your assumptions for impact are no more binding than my assumptions for any program I have advanced. The only way to insure more funding for impact aid is to provide for more funding for other programs with greater priority. Otherwise impact aid would not have received significant cuts over the past years.

I strongly suggest that as a consideration when you vote, because the Senator and I are speaking the same language, but the rationale is different. Having served with the Senator on the Appropriations Committee, there is no doubt that all of the different interests, the groups that came in, they have watched the trades, they have watched the give and take, they have watched the action not only of the authorizing committees but the appropriations committees as well, and that is why this is fashioned and characterized as a carefully crafted amendment, one that is in order for education at this particular point. And one that will do more for impact aid than any other offered.

I might say at this point, also, I will be pleading with my colleagues in the well. Some have suggested that what you want to do is move to table the Rudman amendment. I am not going to move to table. I think that this distinguished Senator from New Hampshire has a right to an up or down vote and he deserves it. But in receiving an up or down vote, I remind my colleagues that it is a substitute. So if you vote for that $600 million, that will be the end of the line for really doing a job for education in this country.

So do not be misled that you will vote for this now knowing that we can get this amendment and then later on hope to vote for the other, because we will lose it entirely.

The idea is to look at the whole picture. I hope Senators are listening on their squawk boxes. We want to turn back the amendment of the Senator from New Hampshire and vote for the Stafford-Hollings approach which has been worked out by all the educational interests and by both the Republican and Democratic side of the aisle.

Mr. DOMENICI. Mr. President, I yield 2 minutes to the Senator from South Dakota.

Mr. PRESSLER. Mr. President, I rise in strong support of my colleague's amendment and ask unani-

mous consent to be added as a cosponsor.

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

Mr. PRESSLER. Mr. President, there are many things that I could say about this important amendment. Many of them have been said already. We truly are facing a crisis in many of our federally impacted school districts. It is clear that in these districts the Federal Government has an undisputed obligation. There is no way for many of these districts to make up the lost revenue. Education will truly suffer. The severity of the situation is illustrated by the plight of the Douglas School System which serves 2,500 students. Many of these students are military dependents from the Ellsworth Air Force Base. Everyone of their teachers has received a termination notice and is uncertain about his or her future.

This is really a tragic situation. Only yesterday I spoke to a representative of the Douglas Teacher's Association who was trying to bring to the public's attention what is happening at the Ellsworth Air Force Base schools. I also have been in touch with the superintendents of South Dakota's federally impacted districts. As impact aid has been cut more severely than any other education program each of these 50 schools has been threatened. These districts are in dire need of this additional assistance.

Mr. President, I would also like to point out that this amendment provides a total of $400 million in additional education funding above the amount recommended by the Senate Budget Committee. This is a substantial increase in the critical investment we must make in the future security of our Nation. Besides increasing the budget level for impact aid, the amendment increases amounts available for student financial assistance, mathematics and science education, bilingual education, and education of the handicapped.

I have long fought for higher education. This amendment includes $170 million for student financial assistance programs. Having attended college with the help of student loans, I know from personal experience how essential these sources of financial aid are to middle and lower income students. Such assistance permits students to pursue careers which will be important in maintaining U.S. leadership in the decades ahead. We cannot neglect to prepare the youth of today for the responsibilities of national and world leadership tomorrow.

South Dakota's experienced teachers, counselors, and other education leaders have written to me in great numbers expressing their concern over the quality of mathematics and science education programs. These hard-working educators deserve our support and respect. It is my hope that the additional $170 million included here for these programs will help our students to become better prepared for the higher technology demands they will face.

The importance of quality education was most graphically expressed by a report issued last week by the National Commission on Excellence in Education. That report included a recommendation that the:

> Federal government in cooperation with States and localities, should help meet the needs of key groups of students such as the gifted and talented, the socioeconomically disadvantaged, minority and language minority students and the handicapped. In combination, these groups include both national resources and the Nation's youth who are most at risk.

Mr. President, I am most pleased to serve as a cosponsor of an amendment which assists our most important resource—our Nation's young people.

Mr. DOMENICI. Mr. President, does the distinguished sponsor of the amendment to the amendment desire to speak?

Mr. RUDMAN. Just for a moment, but I thought I saw the Senator from South Carolina seeking recognition.

Mr. HOLLINGS. The distinguished Senator from Mississippi desires to speak for a moment. I yield such time as the Senator desires.

Mr. STENNIS. Mr. President, I will be quite brief on this matter. It is a subject matter, Mr. President, which I have a great deal of interest in. I have served on the Subcommittee on Education Appropriations and am now an ex-officio member of that subcommittee.

I joined the Senator from Massachusetts (Mr. TSONGAS) and others some 2 months ago or more, in a special bill for technology, the sciences, mathematics, and so forth. It even went so far as to set up funds to buy equipment where it was needed.

I did not get to appear at the hearings of the Education Committee on this bill, being tied up on other matters which were demanding. I understand the subcommittee has reported a version of the bill to which I have just referred, recommending, at least, a considerable part of the funds and the different items. I appreciate that, and I am certainly going to vigorously support it here on the floor.

Mr. President, I was confronted here on the floor with which one of these education amendments to vote for. Ordinarily, I support the smaller figure. I generally do that in these battles about the budget, and this is a budget resolution which we have.

But I will say right now, Mr. President, I cannot pass by an opportunity to get a real start on extending, broader, deeper education programs that have to be extended if the job is to be done.

I am thinking about the overlooked talent, the untrained talent, and the lack of the ability of many of our States to support a program of that kind as vigorously as it should be and send the rest of them on to college or whatever special training it takes. So I am going to support this matter even though it is about $1½ billion above what we call the overall budget figure. I know there is going to be a world of adjustments to be made, give and take, settle this and settle that, to stay in line. I have cast enough votes for the lower figure, but I am interested in this subject and it is the best chance that I know to get something special done this year. I hope those that have a similar viewpoint will join and let us get enough votes to pass the Hollings amendment which will be just one step in reaching another phase, an added phase of the education program that I have some knowledge of myself and know about its needs.

I thank the Senator for yielding to me and I hope that we can pass this amendment. I yield back what time is left.

Mr. HOLLINGS. I thank the distinguished Senator from Mississippi. Was it the request of the Senator from New Hampshire that we yield back our time?

Mr. DOMENICI. I yield as much time as the distinguished Senator from New Hampshire desires.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. RUDMAN. Mr. President, I will be very brief. The debate on the underlying amendment and the substitute certainly have been complete. I want to say to my colleagues who are listening that my friend from Vermont I think accurately described what might not occur if this amendment is passed, but I should point out that this amendment adds substantially, $600 million, onto the budget resolution that we will be considering and does add substantial services across the whole spectrum of education.

The Hollings-Stafford amendment, if my calculations are correct, is an add on of 15-percent plus. What I have tried to do is come up with a number that will handle inflation plus a small amount across the board on the programs that we found as we funded them in the 1983 budget.

Mr. President, let me just conclude on this note. I listened to my friend from South Carolina, my friend from Vermont and everyone here——

Mr. STENNIS. Mr. President, may we have quiet? It seems like the conference in the well can be held somewhere else. I think the Senator speaks on one of the more important matters we have to consider.

The PRESIDING OFFICER. The Senate will be in order.

Mr. RUDMAN. Mr. President, let me just conclude by saying this: Some folks came down from New Hampshire a few months ago who were interested in a particular educational project in my State. They are friends and they are people who supported me. They asked that I support a particular aspect of funding in the education budget. I asked them if they had gone to the State legislature to get that funding. They said they had.

We have a pretty adequate legislature up there. We have 400 people in the state house for a State with 1 million people. You cannot say we do not have a representative government. I said: "What happened up in the State House?" They said: "Well, they thought the cost was too high. They did not want to increase State taxes." I said: "Did you go to your local government?" They said: "We did." And what happended there? "Well, we went to the town meeting, we debated it. They asked how much it would add to the local property tax. People thought it was a good idea but was too expensive."

Mr. President, we have found the magic elixir in this Congress. People ask us for promises. We fulfill the promises, and nobody pays for them. The greater distance you get from the constituents the easier it is to be irresponsible. I say that after what this Budget Committee did, going above and beyond what the President said he would stand for, and the chairman of that committee and the ranking minority member standing up and saying no, that it is not enough and then the chairman of the committee joining on this amendment adding another $600 million. I say to Senators that enough is enough. I hope they will support this amendment and defeat an amendment that amounts to $1.5 billion in additional deficit that of course nobody will pay for—nobody, Mr. President, except the American people when inflation starts up again next year.

Mr. SYMMS. Will the Senator yield?

Mr. RUDMAN. I yield the floor.

Mr. SYMMS. I ask the Senator to yield just to make a clarification for those of us who think that the Budget Committee came out with a number that was as generous as the country could afford. We are going to have a chance to vote in a matter of moments. If we vote for the Rudman amendment, we are voting for a $600 million add on. If we do not vote for the Rudman amendment, we are setting the stage for a billion-and-a-half add on; is that correct?

Mr. RUDMAN. I believe that is correct.

Mr. DOMENICI. The Senator is correct.

I suggest the absence of a quorum.

Mr. HOLLINGS. Before the Senator does that, I ask the distinguished chairman of the Budget Committee, what is our 050 function? How much is that?

I have the figure—$267 billion. I say to my great friend from New Hampshire, we are asking $14.9 for education in the budget resolution before us. I am taking it up to $16.4.

The Senator from New Hampshire says $16.4 billion is going to wreck the country, bust the budget, cause the deficit, and bring back inflation. But the $267 billion under defense, the 050 function, has no effect whatsoever? Now, if Senators believe that, please vote for the amendment of the Senator from New Hampshire and I would like to see that list of people.

Mr. GOLDWATER. Will the Senator yield?

Mr. DOMENICI. I will be pleased to yield to the distinguished Senator from Arizona.

Mr. GOLDWATER. Mr. President, I am going to vote for the Rudman substitute only because it is the lesser of two evils.

Mr. President, when Federal aid to education. I do not think $1½ billion is many, many years ago, I constantly and consistently opposed it. I said at the time it would be the end of quality education in our elementary schools.

Mr. President, unfortunately—and I say this with sadness—this has come about. I do not think the addition of another dollar is going to pull the National Education Association out of the hole they put this country into in education. I do not think $1½ billion is going to do any good. I think we should look to the day when we can abolish Federal aid to elementary education.

Mr. President, it has done no good. I hope that someday this body will come to its senses and realize that unions are all right but they are not all right in our educational system.

Mr. President, the 18-member Commission on Excellence in Education was created as a result of Secretary Bell's concern about the widespread public perception that something is seriously remiss in our educational system. I contend that something is seriously remiss with the Commission's report.

In the report, the Commission listed its own indicators and findings on the decline of education in this country. Among the more alarming facts and figures listed in the report are: First, many 17-year-olds do not possess the higher order intellectual skills we should expect of them, 40 percent cannot draw inferences from written material, and over 60 percent cannot solve a math problem requiring several steps; second, the College Board's scholastic aptitude tests from 1963 to 1980 had consistent declines with average verbal scores dropping 50 points and average math scores dropping nearly 40 points; third, the proportion of students taking a generally less-demanding program of study in high schools has increased from 12 percent in 1964 to 42 percent in 1979; fourth, 35 States require only 1 year of math and 36 require only 1 year of science for a high school diploma; fifth, the teacher shortage is critical in math and science with half of the newly employed math and science teachers not qualified to teach these subjects; sixth, the Department of the Navy reported that 25 percent of its recent recruits cannot read at the ninth grade level, the minimum needed simply to understand written safety instructions; and seventh, the number of remedial courses have increased in high schools and colleges with business and military communities reporting an increase, too.

Now, if we are to believe the Commission's indicators and findings, how can we be asked, also, to believe in the validity and feasibility of their recommendations? Recommendations which expect students, who fall too often into the above categories, to fulfill the increased requirements for high school graduation and to meet the higher admission requirements to 4-year colleges and universities. How can students, whom the Commission found undereducated and unqualified to meet minimum standards, lift their achievement levels to meet these new higher requirements? In spite of the fact that the recommendations will be interpreted by each State according to the needs of its school system and full implementation will be over a period of time, a gorge as big as the Grand Canyon exists within this report.

The larger question which needs to be addressed by the Commission is: What are the basic skills and achievement levels required for elementary school graduation? Students need to enter high school with a strong foundation in the basic skills. In order to turn around the lower achievement levels of high school students, the problem, also, has to be reviewed at its initial stages of development which is in the elementary school years. Otherwise, the problem at the high school level will continue with students entering high school unprepared to tackle the academic challenges expected of them. However, the Commission's charter directed it to pay particular attention to teenage youth and selective attention to the formative years spent in elementary school. The way the Commission interpreted selective attention did a grave disservice to those valuable 8 years. The Commission failed dismally to address the importance of the educational process in the elementary school years as being the preparation for high school success. In doing so, it overlooked the fundamental resource for nurturing basic student skills and knowledge.

True, the Commission gave faint praise to the importance of the elementary school curriculum when it stated that the crucial 8 years leading to high school years should provide a sound base for study in those and later years. But these are empty words since the Commission failed to expound on this statement with facts and figures on the achievement levels of elementary school students.

It seems ludicrous that a Commission would spend 18 months examining the quality of education in the United States, and then fail to report on the abilities of students and teachers at each level. What the Commission should have done is to adopt appropriate recommendations that would allow students to be proud of their accomplishments, while reaching for still higher levels of achievement. I do not believe in studying a problem only in its late stages, which is where the high school years fall in the continuous 12-year educational program. The whole problem must be addressed from the beginning to the end.

Now, I would like to state there are some school systems across the country that have taken steps, previous to this report, to improve their educational institutions and I have read with great interest of their improvements.

Needless to say, I am very pleased that Arizona's school system is one of them. The local education officials have already approved higher graduation requirements for high school to be effective starting with the graduating class of 1987. Also, admission requirements at our 4-year colleges and universities are being reviewed by the board of regents, at the present time.

In conclusion, Arizona's elementary school and high school programs will be studied in the months ahead in order to establish basic skill requirements for the core subjects at each grade level. These requirements for the basic skills at each of the 12 grade levels will be in place for the 1986-87 school year, if not before. For the last 3 years, the teacher basic skills test and the teacher professional knowledge test have been required before teacher certification is granted. Overall, Arizona's legislature and educational officials can be considered pacesettlers in the field of promoting educational excellence.

Mr. DOMENICI. I yield back any time I have.

Mr. CHILES. We yield back any time we have.

The PRESIDING OFFICER. The Chair advises the Senate that there is some confusion over the nature of the amendment to be voted on.

The Rudman amendment is a first-degree amendment to the language of the bill which is proposed to be stricken by the Hollings amendment.

The yeas and nays have been ordered, and the clerk will call the roll.

Mr. DOMENICI. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOMENICI. The first vote, then, is on the Rudman amendment. Is that correct?

The PRESIDING OFFICER. The perfecting amendment to the bill.

Mr. DOMENICI. To the bill.

The PRESIDING OFFICER. The Senator is correct.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Wisconsin (Mr. KASTEN), is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Connecticut (Mr. DODD), and the Senator from Massachusetts (Mr. KENNEDY), are necessarily absent.

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

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

The result was announced—yeas 50, nays 46, as follows:

[Rollcall Vote No. 74 Leg.]

YEAS—50

Abdnor	Hawkins	Pressler
Armstrong	Hecht	Quayle
Baker	Heinz	Roth
Boschwitz	Helms	Rudman
Chafee	Humphrey	Simpson
Danforth	Jackson	Specter
Denton	Jepsen	Stevens
Dole	Kassebaum	Symms
Domenici	Laxalt	Thurmond
Durenberger	Lugar	Tower
East	Mathias	Trible
Garn	Mattingly	Wallop
Goldwater	McClure	Warner
Gorton	Murkowski	Weicker
Grassley	Nickles	Wilson
Hatch	Packwood	Zorinsky
Hatfield	Percy	

NAYS—46

Andrews	Eagleton	Metzenbaum
Baucus	Exon	Mitchell
Biden	Ford	Moynihan
Bingaman	Glenn	Nunn
Boren	Hart	Pell
Bradley	Heflin	Proxmire
Bumpers	Hollings	Pryor
Burdick	Huddleston	Randolph
Byrd	Inouye	Riegle
Chiles	Johnston	Sarbanes
Cochran	Lautenberg	Sasser
Cohen	Leahy	Stafford
Cranston	Levin	Stennis
D'Amato	Long	Tsongas
DeConcini	Matsunaga	
Dixon	Melcher	

NOT VOTING—4

Bentsen	Kasten
Dodd	Kennedy

So the amendment (No. 1238) was agreed to.

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

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

The motion to lay on the table was agreed to.

VOTE ON AMENDMENT NO. 1237

Mr. DOMENICI. Mr. President, I move to table the Hollings amendment and I ask for the yeas and nays.

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

The yeas and nays were ordered.

Mr. HOLLINGS. Mr. President, I have an amendment, another amendment.

The PRESIDING OFFICER. The Senator is advised that an amendment is not in order while a motion to table is pending.

Mr. HOLLINGS. I am sorry.

You moved to table?

Mr. DOMENICI. I did.

Mr. HOLLINGS. All right, let us vote on that.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico to lay on the table the amendment of the Senator from South Carolina. The yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. STEVENS. I announce that the Senator from New York (Mr. D'AMATO), the Senator from Wisconsin (Mr. KASTEN), and the Senator from Texas (Mr. TOWER) are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Connecticut (Mr. DODD), and the Senator from Massachusetts (Mr. KENNEDY) are necessarily absent.

I further announce that, if present and voting, the Senator from Connecticut (Mr. DODD) and the Senator from Massachusetts (Mr. KENNEDY) would each vote "nay."

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

The result was announced—yeas 46, nays 48, as follows:

[Rollcall Vote No. 75 Leg.]

YEAS—46

Abdnor	Hatfield	Pressler
Armstrong	Hawkins	Proxmire
Baker	Hecht	Quayle
Boschwitz	Heinz	Roth
Chafee	Helms	Rudman
Danforth	Humphrey	Simpson
Denton	Kassebaum	Stevens
Dole	Laxalt	Symms
Domenici	Lugar	Thurmond
Durenberger	Mathias	Trible
East	Mattingly	Wallop
Garn	McClure	Warner
Goldwater	Murkowski	Weicker
Gorton	Nickles	Wilson
Grassley	Packwood	
Hatch	Percy	

NAYS—48

Andrews	Boren	Byrd
Baucus	Bradley	Chiles
Biden	Bumpers	Cochran
Bingaman	Burdick	Cohen

Cranston	Jackson	Nunn
DeConcini	Jepsen	Pell
Dixon	Johnston	Pryor
Eagleton	Lautenberg	Randolph
Exon	Leahy	Riegle
Ford	Levin	Sarbanes
Glenn	Long	Sasser
Hart	Matsunaga	Specter
Heflin	Melcher	Stafford
Hollings	Metzenbaum	Stennis
Huddleston	Mitchell	Tsongas
Inouye	Moynihan	Zorinsky

NOT VOTING—6

Bentsen	Dodd	Kennedy
D'Amato	Kasten	Tower

So the motion to lay on the table amendment No. 1237 was rejected.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. BAKER. Mr. President, I have discussed this with the minority leader. I believe there is a requirement for a brief time now for consultations off the floor, on one side of the aisle, at least. I have agreed with the minority leader that we would stand in recess for 30 minutes, with the time charged equally, notwithstanding the recess of the Senate, against both sides against the resolution. I make that request at this time.

Mr. BYRD. Mr. President, I thank the distinguished majority leader.

Mr. HOLLINGS. Can I make a motion to reconsider?

Mr. BAKER. You can do that, but you will get another rollcall out of it. We can do that, if you wish.

Mr. HOLLINGS. All right.

Mr. BAKER. Mr. President, I put the request.

Mr. BYRD. Does the Senator wish to make a motion before the ruling?

Mr. HOLLINGS. I move to reconsider the vote by which the motion was rejected.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Chair will advise that the majority leader has the floor.

Mr. BAKER. Mr. President, I am perfectly willing to do that, but I want it understood that I am yielding for the purpose of a motion to reconsider being made without losing my right to the floor.

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

Mr. HOLLINGS. I thank the Senator.

I move to reconsider the vote by which the motion was rejected.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The majority leader has the floor.

Mr. BAKER. I have no desire to thwart anybody's desires, but the question will be whether we will debate this at this time, have another tabling motion at this time, or have a recess at this time. It does not make any difference to me except that if we are going to have the vote at this time, I believe there is a request by the distinguished manager to discuss the matter of reconsidering. In a moment, I will yield the floor, if that is the case. I expect either the minority leader or the manager will be recognized at that time.

I would recommend, Mr. President, if I may, that if we are going to have a recess, this is the best time to have it. The motion is pending, and nobody's rights will be disturbed. We can come back here and throw the ball up in the air and see what happens.

RECESS UNTIL 7:18 P.M.

The PRESIDING OFFICER. Is there objection to the request of the majority leader?

There being no objection, the Senate, at 6:48 p.m., recessed until 7:18 p.m.; whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. HECHT).

RECESS UNTIL 7:45 P.M.

Mr. GARN. Mr. President, I ask unanimous consent that the recess be continued until 7:45 p.m. under the same conditions with the time on the 50 hours continuing to run and being charged equally to both sides.

There being no objection, the Senate, at 7:18 p.m., recessed until 7:45 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. HECHT).

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. I thank the Chair.

RECESS UNTIL 8 P.M.

Mr. BAKER. Mr. President, I am advised that the caucus of Democratic Members has not yet ended, and it would be their wish that the time of the recess be extended for 15 more minutes. I ask unanimous consent that the Senate now stand in recess under the same terms and conditions.

Mr. GOLDWATER. Reserving the right to object. Now they say 8 p.m. It was 7:45. I want to get out of here.

Mr. BAKER. I am hoping they are doing good things, BARRY.

Mr. PERCY. Will there be one more vote tonight, definitely?

Mr. BAKER. Yes.

Mr. President, until 8 p.m., under the same terms and conditions.

There being no objection, the Senate at 7:46 p.m., recessed until 8 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. HECHT).

The PRESIDING OFFICER. The majority leader.

Mr. BAKER. Mr. President, so that we can have just a moment to confer, since the Democratic caucus has ended, I ask unanimous consent that it may be in order for me to suggest the absence of a quorum, with the time consumed therein charged equally against the parties.

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

Mr. BAKER. I suggest the absence of quorum.

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

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, after conferring with the minority leader and a large number of Senators on both sides who were accurately portrayed by the junior Senator from New Jersey as the Senate's first joint caucus, I am prepared to say it seems the consensus of Members the best thing to do now is to recess over until tomorrow and to continue with the disposition of amendments during the day tomorrow.

ORDER FOR RECESS UNTIL 9:30 A.M. TOMORROW

Mr. BAKER. Mr. President, I now ask unanimous consent that when the Senate completes its business today it stand in recess until 9:30 a.m. tomorrow.

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

ORDER FOR A PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS ON TOMORROW

Mr. BAKER. Mr. President, I further ask unanimous consent that after the recognition of the two leaders under the standing order, the time remaining between that hour and the hour of 10 a.m. be devoted to the transaction of routine morning business in which Senators may speak for not more than 2 minutes each.

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

ORDER FOR RESUMPTION OF SENATE CONCURRENT RESOLUTION 27, FIRST BUDGET RESOLUTION FOR 1984, ON TOMORROW

Mr. BAKER. Mr. President, at the hour of 10 a.m., I ask unanimous consent that the Senate resume consideration of the pending resolution, at which time the pending question will be the Hollings motion to reconsider the vote by which the Senate did not table the Hollings amendment.

The PRESIDING OFFICER. And that motion is not debatable.

Mr. BAKER. I thank the Chair.

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

Mr. BAKER. Mr. President, I thank the minority leader and I thank all the Senators.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, before the majority leader and everyone goes, may I ask two questions?

Mr. BAKER. Yes.

Mr. BYRD. One, have the yeas and nays been ordered on the motion to reconsider?

The PRESIDING OFFICER. They have not.

Mr. BYRD. Mr. President, I ask for the yeas and nays on the motion to reconsider.

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

The yeas and nays were ordered.

Mr. BYRD. Mr. President, will the majority leader yield once more?

Mr. BAKER. I yield.

Mr. BYRD. Is it clear from the majority leader's statement, and I so ask, is it indubitably clear that there will be rollcall votes tomorrow?

Mr. BAKER. Mr. President, we will be in session tomorrow. I expect it to be a full day. There will most assuredly be rollcall votes tomorrow.

Mr. BYRD. I thank the majority leader.

Mr. President, the majority leader will agree with me, will he not, that the first rollcall can come as early as 10 a.m.?

Mr. BAKER. 10:01 a.m.

Mr. BYRD. 10:01 a.m.

Mr. BAKER. Mr. President, Senators should know, first, there will be no more RECORD votes tonight, but they should be on notice that there probably will be a rollcall vote as early as 10 a.m. tomorrow.

I point out, as the Chair pointed out, that the pending question is the motion to reconsider and it is a nondebatable motion. Therefore, it becomes nondebatable and a vote could occur immediately after we resume consideration of the pending resolution.

Senators should be on notice that there probably will be a vote at 10 a.m. tomorrow.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business to extend not past 8:25 p.m. in which Senators may speak.

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

Mr. BAKER. 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. PRESSLER). Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. BAKER. Mr. President, I have a few items that appear to be cleared for action by unanimous consent. I will state these requests now, first, for the benefit of the minority leader and, of course, then for all Senators.

SENATE RESOLUTION 132—TO RECOGNIZE THE WEEK OF MAY 8, 1983, THROUGH MAY 14, 1983, AS SMALL BUSINESS WEEK

Mr. BAKER. Mr. President, I send a resolution to the desk on behalf of Senator WEICKER, the distinguished Senator from Connecticut, and others, and ask that it be placed on the calendar.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. No objection.

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

SENATE JOINT RESOLUTION 94—TO DESIGNATE MAY 8, 1983, to JUNE 19, 1983, AS "FAMILY REUNION MONTH"

Mr. BAKER. Mr. President, I have a request for a joint resolution offered by the distinguished junior Senator from Georgia (Mr. MATTINGLY) which is now at the desk and, similarly, I ask unanimous consent that that measure be placed on the calendar.

Mr. BYRD. Mr. President, I have no objection.

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

COMMITTEE ON LABOR AND HUMAN RESOURCES DISCHARGED FROM FURTHER CONSIDERATION OF S. 600 AND THE BILL REFERRED TO COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BAKER. I ask unanimous consent that the Labor and Human Resources Committee be discharged from further consideration of S. 600, the Grand Canyon School District legislation, and it be referred to the Committee on Energy and Natural Resources.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES DISCHARGED FROM FURTHER CONSIDERATION OF S. 287

Mr. BAKER. I ask unanimous consent that the Committee on Energy and Natural Resources be discharged from further consideration of S. 287 a bill to establish the Harry S Truman National Historic Site in the State of Missouri and for other purposes and that the bill be placed on the calendar.

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

SENATE RESOLUTION 133 PLACED ON THE CALENDAR

Mr. BYRD. Mr. President, I ask unanimous consent that the Moynihan resolution at the desk relating to Solidarity Sunday be placed on the calendar.

Mr. BAKER. Mr. President, there is no objection to the request from this side.

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

THE DEDICATION OF THE MEMORIAL PLAQUE HONORING THOSE WHO DIED IN THE IRANIAN RESCUE MISSION

Mr. WARNER. Mr. President, on April 25, 1980, eight brave American servicemen lost their lives in a valiant attempt to rescue 53 of their fellow countrymen being held as hostages by the revolutionary government in Iran.

Those eight patriots, Marine Sgt. John Harvey, Marine Cpl. George Holmes, Jr., and Marine S. Sgt. Dewey Johnson; Air Force Maj. Richard Bakke, Maj. Harold Lewis, Jr., T. Sgt. Joel Mayo, Capt. Lyn McIntosh, and Capt. Charles T. McMillan, made the ultimate sacrifice for their country.

In honor of their sacrifice, Congress approved and the President signed into law a resolution last year authorizing the placement of a plaque in Arlington National Cemetery in recognition of the valor of these eight men.

On April 25, 1983, 3 years after this tragic mission, the congressionally ordered plaque was dedicated. I had the honor, as did others in this Chamber, of attending that ceremony, and I had the privilege of hearing what I consider to be one of the most moving statements I have ever heard—a speech by L. Bruce Laingen, America's last Ambassador to Iran, the man who faithfully and courageously represented our Nation during that wrenching experience.

There are no words which I am capable of expressing which better describe the feelings of pride, of dedication, of honor on the part of one human being toward the sacrifices of others than those of Ambassador Laingen.

Mr. President, I ask unanimous consent that Ambassador Laingen's speech at the April 25, 1983, dedication of the Iranian Mission plaque be printed in the RECORD so that all may reflect on his magnificent message.

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

REMARKS BY AMBASSADOR BRUCE LAINGEN AT CEREMONY IN ARLINGTON NATIONAL CEMETERY, APRIL 25, 1983, DEDICATING A MEMORIAL PLAQUE TO THOSE WHO GAVE THEIR LIVES IN THE IRAN RESCUE MISSION

Mr. Secretary, Members of Congress, distinguished guests, families of those we honor, colleagues from the Tehran hostage group, three years ago those whose memory

we honor today were members of a small band of valorous men, embarked on a mission of almost incredible complexity. Men persuaded by hope and filled with the exuberance of youth, bright eyed in a spirit of adventure and daring, confident and committed in teamwork.

But more than that—they were also men joined together because they cared; because they cared about something much larger than themselves. Because they cared about freedom; because they cared with special fervor about the freedom and welfare of 53 of their countrymen; and because they cared about the dignity of the human spirit.

Renewing in this way their commitment to those very fundamentals of individual freedom that have always been at the core of the American experience; reminding us of the commitment of all who respond to the call of public service. Reminiscent of an expression from Thomas Paine that those who expect to reap the blessings of freedom must undergo the fatigue of supporting it. Reminiscent also of a maxim attributed to another American patriot, Andrew Jackson, that one man with courage makes a majority. Courage was not in short supply at Desert One. The men on that mission three years ago made courage contagious.

This is not the time or place to make a judgment of the technical or political wisdom of what those men were asked to do, and of the resources made available to them. Their mission has been termed a failure. And it did fail, in the sense that none of those men reached their goal. And it was a terrible tragedy in the loss of these eight men.

But it was not a failure in other respects: in what was learned, and in the demonstrated readiness of that group of men to try, and to try against almost impossible odds. Nor was it a failure in the way they reaffirmed in that way America's espousal of freedom and in the example they set for all of us of personal courage and sacrifice.

Today we come to this place, so symbolic of sacrifice in our nation's history, to dedicate a simple plaque to their memory, and to their heroism; yes, and also to commemorate the courage and spirit of all who went on that mission, and the love of families that gave them the strength to try.

A plaque that can do little to ease the pain of the families of those who did not return. A plaque inevitably inadequate in terms of what we owe them. But let this plaque, this monument, be seen as something more as well; let this plaque—and its dedication today—be also a reminder of the sacrifice of those many unsung heroes in a far larger sense. All those in public service who give of themselves and, infrequently, their very lives in responding to the call of duty; all those whose lives are lost in the daily task of training and exercises in maintaining our military deterrent in times of peace, at sea and on land (including those who died in the Indian Ocean while we were held in Iran), but whose loss sees so little public notice.

Yes, those too who man and who seek to protect our Embassies abroad in so many areas of risk—all of us reminded this past week by the tragedy of Beirut of what too often we take for granted in such service and where examples of heroism too often go unnoticed. Unsung, all of them, but heroes too. Just as much as those we honor here today.

So let this memorial be a continuing memorial, one that is alive in our minds and preserved in our hearts, to all who even today risk their lives, their homes, their sacred honor in the defense of those ideals that have made us proud to be called Americans.

And now to you, eight brave countrymen, who tried to reach out to us; from 53 fellow Americans who did not and now can never know you, but whose freedom when it finally came was brighter because of what you tried to do and what your memory means to us; over the distance of that great unknown that in death divides you from us, but within the faith that unites us all; we salute you, we reach out to you in a spirit of undying respect, we will not forget.

I now ask Secretary Weinberger to join me in unveiling the memorial plaque.

IN DEFENSE OF MARKETING ORDERS

Mr. CRANSTON. Mr. President, President Reagan is being counseled by some of his advisers to abandon marketing orders. This would be disastrous. It would invite chaos in the marketplace for numerous fruit, vegetable, and other specialty crops now sold under the provisions of Federal marketing orders. It would be disruptive for both growers and consumers.

Marketing orders provide stability in the marketplace and help insure that the consumer receives a reliable supply of high-quality products at affordable prices. By regulating the flow of commodities into the market, marketing orders prevent unreasonable fluctuations in supplies and prices, benefiting both producers and consumers.

I want to point out that marketing orders are not a form of Federal Government regulation. They are established only at the request of growers and handlers who must also approve the marketing orders before they are implemented.

President Reagan's directive on marketing orders this week is unclear. The fact that he did not come out clearly and strongly for marketing orders leaves open the possibility of further attacks on the marketing order system. As a longtime supporter of marketing orders, I criticize the President for placing this important marketing tool in jeopardy.

MESSAGES FROM THE HOUSE

At 11:29 a.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bills and joint resolution, in which it requests the concurrence of the Senate:

H.R. 594. An act to amend section 1 of the act of June 5, 1920, as amended, to authorize the Secretary of Commerce to settle claims for damages of less than $2,500 arising by reason of acts for which the National Oceanic and Atmospheric Administration is responsible;

H.R. 596. An act to transfer responsibility for furnishing certified copies of Miller Act payment bonds from the Comptroller General to the officer that awarded the contract for which the bond was given;

H.R. 723. An act for the relief of Marsha D. Christopher;

H.R. 726. An act for the relief of James A. Ferguson;

H.R. 730. An act for the relief of Ronald Goldstock and Augustus M. Statham;

H.R. 732. An act for the relief of Gregory B. Dymond, Samuel K. Gibbons, Jack C. Kean, James D. Nichols, and Roy A. Redmond;

H.R. 745. An act for the relief of Stephen C. Ruks;

H.R. 1692. An act to amend section 171 of title 10, United States Code, to provide that the Commandant of the Marine Corps shall be a member of the Armed Forces Policy Council;

H.R. 1750. An act for the relief of Apolonio P. Tumamao and others;

H.J. Res. 219. Joint resolution declaring the support of the U.S. Government for efforts of the U.S. Soccer Federation to bring the World Cup to the United States in 1986, designating the Secretary of Commerce as the official representative of the U.S. Government to the Federation Internationale de Football Association, and for other purposes.

HOUSE BILLS REFERRED

The following bills were read twice, and referred as indicated:

H.R. 594. An act to amend section 1 of the act of June 5, 1920, as amended, to authorize the Secretary of Commerce to settle claims for damages of less than $2,500 arising by reason of acts for which the National Oceanic and Atmospheric Administration is responsible; to the Committee on the Judiciary;

H.R. 596. An act to transfer responsibility for furnishing certified copies of Miller Act payment bonds from the Comptroller General to the officer that awarded the contract for which the bond was given; to the Committee on the Judiciary;

H.R. 723. An act for the relief of Marsha D. Christopher; to the Committee on the Judiciary;

H.R. 726. An act for the relief of James A. Ferguson; to the Committee on the Judiciary;

H.R. 730. An act for the relief of Ronald Goldstock and Augustus M. Statham; to the Committee on the Judiciary;

H.R. 732. An act for the relief of Gregory B. Dymond, Samuel K. Gibbons, Jack C. Kean, James D. Nichols, and Roy A. Redmond; to the Committee on the Judiciary;

H.R. 745. An act for the relief of Stephen C. Ruks; to the Committee on the Judiciary;

H.R. 1692. An act to amend section 171 of title 10, United States Code, to provide that the Commandant of the Marine Corps shall be a member of the Armed Forces Policy Council; to the Committee on Armed Services; and

H.R. 1750. An act for the relief of Apolonio P. Tumamao and others; to the Committee on the Judiciary.

HOUSE MEASURE PLACED ON CALENDAR

The following joint resolution was read twice and placed on the calendar.

H.J. Res. 219. Joint resolution declaring the support of the United States Government for efforts of the United States Soccer

Federation to bring the World Cup to the United States in 1986, designating the Secretary of Commerce as the official representative of the United States Government to the Federation Internationale de Football Association, and for other purposes.

MEASURES PLACED ON THE CALENDAR

The following measures were ordered placed on the calendar:

S. 287. A bill to establish the Harry S Truman National Historic Site in the State of Missouri, and for other purposes (discharged from the Committee on Energy and Natural Resources);

S. Res. 132. Resolution to recognize the week of May 8, 1983, through May 14, 1983, as "Small Business Week";

S. Res. 133. Resolution to express the sense of the Senate in support of "Solidarity Sunday".

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-126. A resolution adopted by the City Council of the City of Plainfield, New Jersey supporting that portion of Senate Bill 17, as well as other pending legislation in the House of Representatives, that would appropriate funds to local agencies to cover the administrative cost associated with the distribution, transportation and storage of surplus commodities; to the Committee on Agriculture, Nutrition, and Forestry.

POM-127. A resolution adopted by the City Commission of the City of Hallandale, Florida urging the Congress to preserve local control and contract rights for CATV systems in municipalities; to the Committee on Commerce, Science, and Transportation.

POM-128. A resolution adopted by the House of Representatives of the State of Pennsylvania; to the Committee on Commerce, Science, and Transportation:

"HOUSE RESOLUTION No. 19

"Whereas, Conrail is abandoning track in many areas of the Commonwealth; and

"Whereas, This abandonment program has serious economic impact on the various municipalities and businesses operating within this Commonwealth; therefore be it

"Resolved, That the House of Representatives of the Commonwealth of Pennsylvania memorialize the Congress of the United States to take such steps as will suspend Conrail's track abandonment program and to arrange for the United States Department of Transportation together with the Pennsylvania Department of Transportation and the management of Conrail to study the serious economic impact of track abandonment and to find ways to mitigate this impact; and be it further

"Resolved, That a copy of this resolution be immediately transmitted to the Governor, the Secretary of Transportation, the management of Conrail, the United States Secretary of Transportation and to the presiding officers of each house of Congress and to each member of Congress from Pennsylvania."

POM-129. A resolution adopted by the Council of the County of Hawaii urging Congress to approve the $2.6 million needed to allow BioEnergy Development Corporation to continue developing alternate energy sources; to the Committee on Energy and Natural Resources.

POM-130. A joint resolution adopted by the Legislature of the State of Idaho; to the Committee on Energy and Natural Resources:

"SENATE JOINT MEMORIAL No. 101

"Whereas, the public lands in Idaho are intermingled and managed with state and private lands; and

"Whereas, management policies on public land impact, restrict and influence the management of state and private lands; and

"Whereas, the current policies on public land relative to the management of wild horses and burros have caused severe damage to the vegetative, wildlife and soil resources on public, state and private lands; and

"Whereas, the current management policies for wild horses and burros are not cost effective and have not effectively controlled the wild horse and burro populations: Now, therefore, be it *"Resolved* by the members of the First Regular Session of the Forty-seventh Idaho Legislature, the Senate and the House of Representatives concurring therein, that the Congress is urged to pass legislation incorporating the principles of Senate Bill 2183 of the Second Session, Ninety-seventh Congress, allowing the sale of wild horses and burros from the public lands. Further, the Congress is urged to consider legislation for the management of wild horses and burros which is cost effective, technically sound and considerate of state and private land resources; and be it further

"Resolved, That the Secretary of the Senate be, and she is hereby authorized and directed to forward copies of this Memorial to the President of the Senate and the Speaker of the House of Representatives of Congress, and the honorable congressional delegation representing the State of Idaho in the Congress of the United States."

POM-131. A resolution adopted by the House of Representatives of the Commonwealth of Massachusetts; to the Committee on Environment and Public Works:

"RESOLUTION

"Resolved, That the Massachusetts House of Representatives respectfully urges the Congress of the United States to repeal and amend in part the Federal Clean Air Act, so as to not require motor vehicle inspection stations to purchase any type of machine to inspect gasoline emissions from leaded gasoline used by motor vehicles and further allow older models of motor vehicles to wear themselves out, in order not to create hardship to the owners of motor vehicle inspection stations; and be it further

"Resolved, That copies of these resolutions be transmitted forthwith by the Clerk of the House of Representatives to the President of the United States, to the presiding officer of each branch of the Congress and to each member thereof from this Commonwealth."

POM-132. A resolution by the Assembly of the State of California; to the Committee on Environment and Public Works:

"HOUSE RESOLUTION No. 15

"Whereas, The State of California and the federal government have been undertaking a preliminary study on the feasibility of enlarging Shasta Reservoir; and

"Whereas, The State of California has already expended approximately eight hundred twenty-five thousand dollars ($825,000) for its share of the Shasta study and the federal government has expended approximately eight hundred thousand dollars ($800,000) for its share; and

"Whereas, The enlargement of Shasta Reservoir could result in a net firm yield increase of 1.5 million acre-feet per year; and

"Whereas, There is still a need for additional water development to fulfill the contractual commitments of the State Water Project, to take care of the overdraft in the San Joaquin Valley, and to ensure an adequate water supply for the San Francisco Bay area; and

"Whereas, The federal government has not included additional funding in the 1984 budget to continue the studies necessary to determine the feasibility and design of the project; now therefore, be it

"Resolved by the Assembly of the State of California, That the Assembly memorializes the President and the Congress of the United States to include continued funding in the 1984 budget for the Shasta Reservoir enlargement studies; and, be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-133. A resolution adopted by the House of Representatives of the State of Pennsylvania; to the Committee on Finance:

"HOUSE RESOLUTION No. 43

"Whereas, The domestic steel industry is one of the largest industries in America and has become an integral part of the American economy; and

"Whereas, Many factors have combined in the past ten years to reduce greatly the demand for and therefore the production of domestic steel; and

"Whereas, One of these factors is the significant rise in the amount of foreign steel being imported into America at low prices; and

"Whereas, Low foreign steel prices reflect market practices with which the American steel industry cannot compete, including the dumping of foreign steel into the American market, or, selling it at prices below its actual production cost, and foreign governmental subsidization of the steel industry within that country, as well as such competitive market practices as technological improvements and wage differences; and

"Whereas, As a direct result of the decrease in demand for domestic steel, domestic steel plants in this Commonwealth are operating at below 66% capacity and have experienced lay-offs of 40% of their steelworkers for over a year, causing substantial hardship to many Pennsylvanians and arousing the concern of everyone who senses the far-reaching effects of this situation; and

"Whereas, A limitation imposed on foreign steel importation by the United States government, either by increasing the import tax on foreign steel or by placing a quota on amounts imported, would result in an increase in demand for domestic steel; therefore be it

"Resolved, That the House of Representatives memorialize the Congress of the United States to pass legislation imposing quotas on foreign steel importation and directly pursuant thereto to reintroduce the steel quota bill which was introduced during

the 97th session of Congress; and be it further

"Resolved, That copies of this resolution be transmitted to the presiding officers of each house of Congress and to each member of Congress from Pennsylvania."

POM-134. A resolution adopted by the House of Representatives of the State of Pennsylvania; to the Committee on Finance:

"HOUSE RESOLUTION No. 52

"Whereas, The Federal General Revenue Sharing Program has greatly assisted State and local governments in the funding of necessary and needed governmental functions and programs; and

"Whereas, This program allows Pennsylvania municipalities to finance projects and services for their citizens and permits municipal governments to apportion spending in relation to individual community needs; and

"Whereas, General Revenue Sharing accounts for about 14% of local government budgets in Pennsylvania; and

"Whereas, Property taxes or other taxes and user fees would have to be raised to offset any loss of General Revenue Sharing funds; and

"Whereas, Many local governments in Pennsylvania are at or near their statutory taxation limits; therefore be it

"Resolved, That the House of Representatives memorialize the Congress of the United States to swiftly enact the Federal General Revenue Sharing Program for the 1983-1984 fiscal year prior to the expiration of the current program on September 30, 1983, so that local governments may begin to compose their 1984 budgets; and be it further

"Resolved, That copies of this resolution be transmitted to the presiding officers of each house of Congress and to each member of Congress from Pennsylvania."

POM-135. A resolution adopted by the Senate of the State of Pennsylvania; to the Committee on Finance:

"RESOLUTION

"Whereas, The Federal General Revenue Sharing Program expires September 30, 1983; and

"Whereas, The General Revenue Sharing Program is the most visible local return of the Federal tax dollar; and

"Whereas, The General Revenue Sharing Program allows municipalities the freedom to tailor spending to individual community needs; and

"Whereas, The General Revenue Sharing Program has enabled local governments to finance projects and services for their citizens that they otherwise would not be able to provide; and

"Whereas, The General Revenue Sharing accounts for about 14% of local government budgets in Pennsylvania; and

"Whereas, Property taxes or other taxes and user fees would have to be raised to offset any loss of General Revenue Sharing funds; and

"Whereas, Many local governments in Pennsylvania are at or near their statutory taxation limits; and

"Whereas, Favorable action needs to be taken on the General Revenue Sharing Program before municipalities begin to work on their 1984 budgets; therefore be it

"Resolved, That the Senate of Pennsylvania urge the President and Congress to work for an early reenactment of the Federal General Revenue Sharing Program as it now exists; and be it further

"Resolved, That copies of this resolution be transmitted to the President of the United States, to the presiding officers of each House of Congress and to each member of Congress from Pennsylvania."

POM-136. A concurrent resolution adopted by the Legislature of the State of North Dakota; to the Committee on Finance:

"HOUSE CONCURRENT RESOLUTION No. 3099

"Whereas, many North Dakota residents are currently engaged in railroad employment or have been engaged in such employment in the past and look to the railroad retirement system to provide benefits when they retire; and

"Whereas, many North Dakota residents are currently receiving benefits under the railroad retirement system and rely on those benefits to a large extent to meet their normal costs of living; and

"Whereas, any reduction in the amount of benefits received by beneficiaries under the railroad retirement system would have a drastic effect on the ability of these beneficiaries to meet their living expenses; and

"Whereas, projections of the financial condition of the railroad retirement system now show that unless corrective action is taken, monthly annuities will have to be reduced significantly beginning with the annuities to be sent out on October 1, 1983, with additional reductions probably required in the future; and

"Whereas, H.R. 1646, the Railroad Retirement Solvency Act of 1983, was introduced in the United States House of Representatives on February 24, 1983; and

"Whereas, H.R. 1646 would resolve the short-term and long-term financial problems of the railroad retirement system, though an even-handed approach of tax increases on railroad employers and employees and the adjustment of benefits to current and future beneficiaries, thereby preserving and protecing the rights and expectations of those currently receiving benefits and those who would receive those benefits in the future; now, therefore,

"Be it resolved by the House of Representatives of the State of North Dakota, the Senate concurring therein; That members of the United States Congress are urged to actively support and vote favorably on H.R. 1646, the Railroad Retirement Solvency Act of 1983; and

"Be it further resolved, That copies of this resolution be presented to the Speaker and Clerk of the United States House of Representatives, the President and Secretary of the United States Senate, and to each member of the North Dakota Congressional Delegation."

POM-137. A petition from the members of the National Treasury Employees Union urging Congress to reject the proposals to freeze pay for Federal employees, to cut retirement benefits or to otherwise attack the employment benefits and job rights of Federal employees; to the Committee on Government Affairs.

POM-138. A resolution adopted by the International Association of Machinists and Aerospace Workers urging Congress to recommend that Qantas Airways enter immediately into meaningful negotiations that will restore California's discharged Qantas employees to their former jobs; to the Committee on Labor and Human Resources.

POM-139. A resolution adopted by the Senate of the State of Pennsylvania; to the Committee on Energy and Natural Resources:

"RESOLUTION

"Whereas, Gradual decontrol of wellhead gas prices allowed under the Natural Gas Policy Act of 1978 hiked Pennsylvania gas bills by more than 130% since 1978; and

"Whereas, Decontrol continued either at its current rate under the Natural Gas Policy Act, or at a rate accelerated by the United States Congress or by administrative actions of the Federal Energy Regulatory Commission, would cost Pennsylvania gas consumers between ten and thirteen billion dollars between 1983 and 1986; and

"Whereas, Interstate gas pipelines have little incentive to make prudent purchasing decisions to keep prices as low as possible; therefore be it

"Resolved, That the Senate urge the United States Congress to pass comprehensive legislation which would:

"(1) extend gas price controls beyond 1985 and set ceilings at prewinter 1982-83 levels, allowing for increases based on inflation only;

"(2) eliminate expensive and onerous pipeline contract provisions which unnecessarily increase gas costs to consumers;

"(3) force the Federal Energy Regulatory Commission to review pipeline gas purchases to insure that pipelines buy the least expensive gas available;

"(4) remove the ability of the Federal Regulatory Commission to administratively deregulate gas prices; and

"(5) require the Federal Energy Regulatory Commission to allow greater public participation in the gas rate proceedings of the Federal Energy Regulatory Commission; and be it further

"Resolved, That copies of this resolution be transmitted to the President of the United States, to the presiding officers of each House of Congress, to each member of Congress from Pennsylvania and to the Chairman and Commissioners of the Federal Energy Regulatory Commission."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DURENBERGER, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute:

S. 531: A bill to amend the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (together with additional views) (Rept. No. 98-71).

By Mr. PERCY, from the Committee on Foreign Relations, with amendments:

S. 639: A bill to authorize supplemental assistance to aid Lebanon in rebuilding its economy and armed forces, and for other purposes (Rept. No. 98-72).

By Mr. ANDREWS, from the Select Committee on Indian Affairs, without amendment:

S. 973: A bill to make technical amendments to the Indian Self-Determination and Education Assistance Act and other Acts (Rept. No. 98-73).

By Mr. ANDREWS, from the Select Committee on Indian Affairs, with amendments:

S. 884: A bill to provide for the use and distribution of funds awarded the Red Lake Band of Chippewa Indians in docket numbered 15-72 of the U.S. Court of Claims (Rept. No. 98-74).

By Mr. PERCY, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute:

S. 376: A bill to amend the Debt Collection Act of 1982 to eliminate the requirement

that contracts for collection services to recover indebtedness owed the United States be effective only to the extent and in the amount provided in advance appropriation acts (Rept. No. 98-75).

By Mr. PERCY, from the Committee on Foreign Relations, without amendment:

S. Res. 131: An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 639.

By Mr. McCLURE, from the Committee on Energy and Natural Resources:

Special report entitled "History, Jurisdiction, and a Summary of Legislative Activities during the 97th Congress of the Committee on Energy and Natural Resources" (Rept. No. 98-76).

EXECUTIVE REPORTS OF COMMITTEES

Mr. TOWER. Mr. President, from the Committee on Armed Services, I favorably report the following nominations: Gen. James R. Allen, U.S. Air Force, to be placed on the retired list, Gen. Thomas M. Ryan, Jr., U.S. Air Force, to be reassigned in the grade of general, Lt. Gen. Andrew P. Iosue, U.S. Air Force, to be general, Maj. Gen. Kenneth L. Peek, Jr., U.S. Air Force, to be lieutenant general, Lt. Gen. Harry A. Griffith, U.S. Army (age 58), to be placed on the retired list, Maj. Gen. Arthur E. Brown, Jr., U.S. Army, to be lieutenant general, Vice Adm. Lando W. Zech, Jr., U.S. Navy, to be placed on the retired list, Vice Adm. William P. Lawrence, U.S. Navy, to be reassigned in the grade of vice admiral, Lt. Gen. Robert J. Lunn, U.S. Army (age 55), to be placed on the retired list, Maj. Gen. Robert L. Moore, U.S. Army, to be lieutenant general, Brig. Gen. Donald E. Edwards, Army National Guard of the United States, to be major general, Col. Raymond R. Galloway, Army National Guard of the United States, to be brigadier general, Col. William A. Hornsby, Army National Guard of the United States, to be brigadier general, Vice Adm. William P. Lawrence, U.S. Navy, to be Chief of Naval Personnel, Lt. Gen. Winfield W. Scott, U.S. Air Force, to be reassigned in the grade of lieutenant general, Maj. Gen. John L. Pickitt, U.S. Air Force, to be lieutenant general, Maj. Gen. Robert E. Kelley, U.S. Air Force, to be lieutenant general, Lt. Gen. Robert W. Bazley, U.S. Air Force, to be reassigned in the grade of lieutenant general, Maj. Gen. Carl H. Cathey, U.S. Air Force, to be lieutenant general, Lt. Gen. Hans H. Driessnack, U.S. Air Force, to be placed on the retired list, Vice Adm. Robert R. Monroe, U.S. Navy, to be placed on the retired list, Vice Adm. William J. Cowhill, U.S. Navy, to be reassigned in the grade of vice admiral, Rear Adm. Carol C. Smith, Jr., U.S. Navy, to be vice admiral, Maj. Gen. D'Wayne Gray, U.S. Marine Corps, to be lieutenant general, and Maj. Gen. John R. Galvin, U.S. Army, to be lieutenant general. I ask that these names be placed on the Executive Calendar.

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

Mr. TOWER. Mr. President, in addition, in the Navy and Naval Reserve there are 42 promotions/appointments to the grade of captain and below (list begins with Brandon O. Clarke), in the Navy there are 358 permanent appointments to the grade of lieutenant (list begins with James W. Arvin), in the Regular and Reserve of the Marine Corps there are 347 permanent appointments to the grade of lieutenant colonel (list begins with Richard M. Ahlers), in the Air Force there are 37 appointments to the grade of captain (list begins with William P. Abraham), in the Air Force there are 76 appointments to the grade of second lieutenant (list begins with Ray S. Adkins), and in the Navy there are 18 permanent appointments to the grade of captain and below (list begins with Thomas N. Cheamitru). Since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of April 15, April 18, and April 26, 1983, at the end of the Senate proceedings.)

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. THURMOND:

S. 1212. A bill for the relief of 16 employees of the Charleston Naval Shipyard; to the Committee on the Judiciary.

By Mr. EAGLETON (for himself and Mr. DANFORTH):

S 1213. A bill to direct the U.S. Postal Service to issue a special postage stamp to commemorate the 100th anniversary of the birth of President Harry S. Truman; to the Committee on Governmental Affairs.

By Mr. HEINZ:

S. 1214. A bill to amend the Railroad Retirement Act of 1974 to provide that certain additional military service shall be deemed part of the years of service of an individual for the computation of certain annuities; to the Committee on Labor and Human Resources.

By Mr. COCHRAN:

S. 1215. A bill to amend section 218 of title 38, United States Code, to clarify the authority of police officers and special investigators of the Veterans' Administration, to fix the rates of pay of such personnel, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. INOUYE:

S. 1216. A bill for the relief of Mr. Clement Esmail; to the Committee on the Judiciary.

S. 1217. A bill for the relief of Mrs. Lusia M. Loholoho; to the Committee on the Judiciary.

By Mr. NUNN (for himself and Mr. MATTINGLY):

S. 1218. A bill to amend the act of August 15, 1978, regarding the Chattahoochee River National Recreation Area in the State of Georgia; to the Committee on Energy and Natural Resources.

By Mr. MELCHER:

S. 1219. A bill to define the circumstances under which construction workers may deduct travel and transportation expenses in computing their taxable incomes for purposes of the Federal income tax; to the Committee on Finance.

By Mr. MATHIAS (for himself, Mr. KENNEDY, Mr. HEINZ, Mr. BIDEN, Mr. SPECTER, Mr. BAUCUS, Mr. STAFFORD, Mr. LEAHY, Mr. PACKWOOD, Mr. METZENBAUM, Mr. DURENBERGER, Mr. CRANSTON, Mr. DANFORTH, Mr. GLENN, Mr. WEICKER, Mr. HART, Mr. HATFIELD, Mr. HOLLINGS, Mr. BOSCHWITZ, Mr. INOUYE, Mr. MOYNIHAN, Mr. RIEGLE, Mr. SARBANES, Mr. TSONGAS, Mr. BURDICK, Mr. BENTSEN, Mr. PROXMIRE, Mr. LAUTENBERG, Mr. BRADLEY, Mr. LEVIN, Mr. DODD, Mr. MATSUNAGA, Mr. BINGAMAN, Mr. EAGLETON, Mr. PELL, Mr. MELCHER, Mr. MITCHELL, Mr. JACKSON, and Mr. DIXON):

S. 1220. A bill to amend title VIII of the act commonly called the Civil Rights Act of 1968, to revise the procedures for the enforcement of fair housing, and for other purposes; to the Committee on the Judiciary.

By Mr. HATCH:

S. 1221. A bill to amend the the Internal Revenue Code of 1954 to encourage the donation of volunteer services to charitable organizations by allowing a deduction for the costs incident to such services; to the Committee on Finance.

By Mr. BAUCUS:

S. 1222. A bill for the relief of Charles V. Waldron; to the Committee on the Judiciary.

By Mr. HUDDLESTON (for himself and Mr. FORD):

S. 1223. A bill to amend the Internal Revenue Code of 1954 to provide that proceeds from wagers will not be aggregated for purposes of determining whether tax should be withheld; to the Committee on Finance.

By Mr. NICKLES (for himself, Mr. BOREN, and Mr. DENTON):

S. 1224. A bill to provide for the disposition of certain undistributed judgment funds awarded the Creek Nation; to the Select Committee on Indian Affairs.

By Mr. MATHIAS (for himself, Mr. FORD, and Mr. HUDDLESTON):

S. 1225. A bill to amend the Internal Revenue Code of 1954 to clarify the extent to which a State, or political subdivision, may tax certain income from sources outside the United States; to the Committee on Finance.

By Mr. CRANSTON (for himself, Mr. KENNEDY, Mr. MOYNIHAN, and Mr. TSONGAS):

S. 1226. A bill to amend the Public Health Service Act to authorize appropriations to be made available to the Secretary of Health and Human Services to respond to

public health emergencies; to the Committee on Labor and Human Resources.

By Mr. NICKLES:

S. 1227. A bill to amend the Employee Retirement Income Security Act of 1974 for the purpose of improving the single-employer pension plan termination insurance program established under Title IV therein; to the Committee on Finance.

By Mr. MATTINGLY (for himself, Mrs. HAWKINS, Mr. CHAFEE, Mr. DENTON, Mr. ARMSTRONG, Mr. COCHRAN, Mr. BURDICK, Mr. DANFORTH, Mr. DODD, Mr. EAST, Mr. FORD, Mr. HELMS, Mr. HOLLINGS, Mr. LUGAR, Mr. MOYNIHAN, Mr. NUNN, Mr. HEINZ, Mr. HEFLIN, Mr. LEVIN, Mr. NICKLES, Mr. KENNEDY, Mr. SPECTER, Mr. RANDOLPH, Mr. SYMMS, Mr. JEPSEN, Mr. JOHNSTON, Mr. TOWER, and Mr. DECONCINI):

S.J. Res. 94. Joint resolution to authorize and request the President to designate May 8, 1983 to June 19, 1983, as "Family Reunion Month"; read twice and placed on the calendar.

By Mr. PRESSLER:

S.J. Res. 95. Joint resolution declaring the support of the U.S. Government for efforts of the U.S. Soccer Federation to bring the World Cup to the United States in 1986, designating the Secretary of Commerce as the official representative of the U.S. Government to the Federation Internationale de Football Association, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. DECONCINI (for himself, Mr. PROXMIRE, Mr. DIXON, Mr. HOLLINGS, Mr. BOSCHWITZ, Mr. SASSER, Mr. LUGAR, Mr. WILSON, Mr. DOMENICI, Mr. BENTSEN, Mr. PRESSLER, Mr. HEFLIN, Mr. QUAYLE, Mr. INOUYE, Mr. PELL, Mr. COHEN, Mr. HEINZ, Mr. GRASSLEY, Mr. BUMPERS, Mr. EXON, Mr. GORTON, Mr. BOREN, Mr. ARMSTRONG, Mr. NICKLES, Mr. ROTH, Mr. DOLE, and Mr. LEAHY):

S.J. Res. 96. Joint resolution to designate August 1, 1983, as "Helsinki Human Rights Day"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. PERCY:

S. Res. 131. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 639; from the Committee on Foreign Relations; to the Committee on the Budget.

By Mr. BAKER (for Mr. WEICKER) (for himself, Mr. NUNN, Mr. ABDNOR, Mr. ANDREWS, Mr. BAUCUS, Mr. BENTSEN, Mr. BINGAMAN, Mr. BOREN, Mr. BOSCHWITZ, Mr. BRADLEY, Mr. BUMPERS, Mr. BURDICK, Mr. BYRD, Mr. CHILES, Mr. COCHRAN, Mr. COHEN, Mr. CRANSTON, Mr. D'AMATO, Mr. DIXON, Mr. DODD, Mr. DOLE, Mr. DOMENICI, Mr. DURENBERGER, Mr. EAGLETON, Mr. EAST, Mr. FORD, Mr. GARN, Mr. GLENN, Mr. GOLDWATER, Mr. GORTON, Mr. HART, Mr. HATCH, Mrs. HAWKINS, Mr. HEFLIN, Mr. HEINZ, Mr. HELMS, Mr. HOLLINGS, Mr. HUDDLESTON, Mr. JEPSEN, Mr. JOHNSTON, Mrs. KASSEBAUM, Mr. KASTEN, Mr. KENNEDY, Mr. LAUTENBERG, Mr. LAXALT, Mr. LEAHY, Mr. LEVIN, Mr. LUGAR, Mr. MCCLURE, Mr. MELCHER, Mr. METZENBAUM, Mr. MITCHELL, Mr. MOYNIHAN, Mr. MURKOWSKI, Mr. NICKLES, Mr. PACKWOOD, Mr. PELL, Mr. PERCY, Mr. PRESSLER, Mr. PROXMIRE, Mr. PRYOR, Mr. QUAYLE, Mr. RANDOLPH, Mr. RIEGLE, Mr. RUDMAN, Mr. SARBANES, Mr. SASSER, Mr. SPECTER, Mr. STAFFORD, Mr. STENNIS, Mr. STEVENS, Mr. TSONGAS, Mr. WALLOP, Mr. WILSON, Mr. ZORINSKY, Mr. CHAFEE, Mr. EXON, and Mr. DANFORTH):

S. Res. 132. Resolution to recognize the week of May 8, 1983, through May 14, 1983, as "Small Business Week"; submitted and placed on the calendar.

By Mr. BYRD (for Mr. MOYNIHAN) (for himself, Mr. D'AMATO, Mr. BAUCUS, Mr. BENTSEN, Mr. BOREN, Mr. BOSCHWITZ, Mr. BRADLEY, Mr. BYRD, Mr. CHILES, Mr. COHEN, Mr. CRANSTON, Mr. DANFORTH, Mr. DIXON, Mr. DOLE, Mr. GARN, Mr. GLENN, Mr. GRASSLEY, Mr. HECHT, Mr. HEINZ, Mr. HOLLINGS, Mr. INOUYE, Mr. JACKSON, Mr. JEPSEN, Mr. JOHNSTON, Mrs. KASSEBAUM, Mr. LEVIN, Mr. LUGAR, Mr. METZENBAUM, Mr. NICKLES, Mr. PELL, Mr. PERCY, Mr. PRESSLER, Mr. PROXMIRE, Mr. QUAYLE, Mr. RIEGLE, Mr. SARBANES, Mr. SASSER, Mr. SYMMS, and Mr. TSONGAS):

S. Res. 133. A resolution to express the sense of the Senate in support of "Solidarity Sunday"; submitted and placed on the calendar.

By Mr. ARMSTRONG:

S. Con. Res. 31. A concurrent resolution calling upon the Union of Soviet Socialist Republics to end the current repressive policies of forced labor and expressing the sense of the Congress that the exploitation of workers in forced-labor camps by the Union of Soviet Socialist Republics is morally reprehensible; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. THURMOND:

S. 1212. A bill for the relief of 16 employees of the Charleston Naval Shipyard; to the Committee on the Judiciary.

CHARLESTON NAVAL SHIPYARD EMPLOYEES

Mr. THURMOND. Mr. President, today I am reintroducing a bill which will provide monetary relief for 16 civil service employees at the Charleston Naval Shipyard. These employees have been required to repay the Government a portion of the per diem allowances they had received for expenses incurred while attending a long-term training program in 1976.

The Navy regulations, which governed the per diem to which they were entitled, were changed while these employees were attending this program. The Navy, through administrative error, failed to reduce the per diem as required by the new regulations and thus overpaid the 16 employees. The Navy has acknowledged this error, but has interpreted current law as prohibiting cancellation of repayment.

For this reason, I am introducing this legislation to relieve these employees of all liability for the amounts which they were overpaid. It would authorize the Government to reimburse any amounts subsequently withheld by the Navy in satisfaction of that liability. I introduced this same legislation in previous Congresses, including the 95th Congress. It passed the Senate on June 8, 1978, as S. 1909, but the House of Representatives failed to take action.

The total amount involved is $12,434.65. The amount per individual varies from a low of $434 to a high of $1,250.05. This variation among the 16 employees is due to differences in calendar time and training time during the specified temporary duty period for which per diem allowances were authorized and paid.

Mr. President, when my constituents brought this problem to my attention in 1977 and provided the documentation supporting the administrative error, I requested the Department of the Navy to investigate. For clarification of the problem, I would like to quote a portion of the resulting Navy report:

The employees for whom you have inquired received overpayment of per diem while attending long-term training programs. All of the employees in question were assigned to training programs which lasted in excess of 120 continuous calendar days. Prior to commencing their training assignments, the employees were issued travel orders which authorized a per diem not to exceed the maximum allowable, which at that time was $33 per day. Effective 1 August 1976, the Joint Travel Regulations (JTR), Volume 2, which set forth the regulations governing travel and transportation entitlements of Department of Defense civilian personnel, were revised to provide that employees assigned to a continuous full-time training program of 120 or more calendar days are entitled to receive 55 percent of the maximum amount allowable for the locality where the training is being conducted. This change thus affected those employees already in attendance at training programs and resulted in a reduction in per diem entitlement effective 1 August 1976. Payments made to those Charleston Naval Shipyard employees on whose behalf you have inquired, were not reduced as required by the change in the regulations, resulting in an overpayment for which repayment has now been sought.

The per diem rates stipulated in the JTR are applicable to all Department of Defense personnel and are mandatory for the various conditions of travel described unless otherwise provided. The Comptroller General of the United States has consistently held that amendatory regulations changing per diem rates have the force and effect of law and are applicable from the stated effective date thereof. This ruling is applicable not only in cases where the individual employee has not recieved notice of the increase or decrease in rates, but also in cases where the installation directing the travel has not received actual notice of the amendment.

Furthermore, an employee has no vested right to be paid at the rate in effect on the

date his travel orders are issued for the duration of those orders in the presence of a regulatory revision to the rate in the interim.

The current provision of the JTR, which was effective 1 August 1976 and requires a reduction in the rate of per diem for long-term training programs of 120 or more calendar days, was initiated on the basis that when an employee is attending a course of instruction for a period in excess of four months he can reasonably be expected to procure semi-permanent quarters on other than a daily basis and with facilities sufficient for the preparation of meals, thereby reducing lodging and subsistence expenses. This provision is also in consonance with the Department of Defense policy that a civilian employee performing travel on official business is expected to exercise the same care in incurring expenses that a prudent person would if traveling on personal business.

Civilian Manpower Management Instruction (CMMI) 410.10 sets forth the Department of the Navy policy on assignment of employees to long-term training and education provided by the Government Employees Training Act of July 7, 1958, and as codified at Chapter 41 of title 5, United States Code. In the statement of scope, that CMMI provides in part that "As used in this CMMI, the term long-term training and education refers to the off-the-job training (other than apprenticeship, cooperative education, and management intern programs) to which an employee is assigned on a full-time basis and which consists of more than 120 consecutive working days." Such a statement clearly indicates that the definition as used therein relates solely to the expenditure of Government funds as authorized under the law to procure instructional or training services for employees to further development and thus provide improved service to the Government. It does not indicate that such definition governs in determining entitlement to travel and transportation allowance expenditures. As requested in your letter of 25 May 1977, following is a list of amounts overpaid to those employees on whose behalf you have inquired:

Henry Brown	$476.00
Byron R. Buchanan	1,077.00
Arthur Canady	450.00
Robert E. Carter	442.00
Edwin L. Clickner	476.00
William F. Cummings	1,077.00
Edward F. Fuller	1,077.00
Wilbur Geathers	482.85
Donell E. Gourdine	1,250.05
David D. Lorick	1,077.00
Martin N. Olmeda	1,077.00
Lawrence E. Riley	617.00
Dean W. Sabo	1,077.00
Leon T. Scarborough	902.75
George B. Stone	442.00
Paul K. Vincent	434.00

It is regretted that the erroneous payments of per diem were caused by a misinterpretation of applicable regulations relating to long-term training, and that the information was accepted in good faith by the employees in question. The Comptroller General has consistently ruled, however, that the United States is not bound by erroneous or unauthorized acts of its officers and employees. Such a misinterpretration may not, therefore, serve as a basis for an exception to the regulations. Though Public Law 92-453 (5 U.S. Code 5584) permits the waiver of erroneous payments of pay and allowances to employees, travel and transportation allowances are specifically excluded from the provision. There is, therefore, no authority under which the overpayments of per diem made to your constituents may be waived.

Mr. President, the Department of the Navy reiterated its intention to complete the collection of these debts in its letter of September 1981. It has expressed however, its willingness to immediately refund any moneys it has collected upon enactment of this bill. These employees have been financially penalized due to a Government error. I strongly urge my distinguished colleagues to support this bill.

Mr. President, I ask unanimous consent that the bill be printed in the CONGRESSIONAL RECORD at the conclusion of my remarks.

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

S. 1212

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following named employees of the Charleston Naval Shipyard, Charleston, South Carolina, are hereby relieved of all liability to repay to the United States the below listed sums representing overpayments of per diem made through administrative error and received in good faith by the employees:

(1) Henry Brown, the sum of $476;
(2) Byron R. Buchanan, the sum of $1,077;
(3) Arthur Canady, the sum of $450;
(4) Robert E. Carter, the sum of $442;
(5) Edwin L. Clickner, the sum of $476;
(6) William F. Cummings, the sum of $1,077;
(7) Edward F. Fuller, the sum of $1,077;
(8) Wilbur Geathers, the sum of $482.85;
(9) Donell E. Gourdine, the sum of $1,250.05;
(10) David D. Lorick, the sum of $1,077;
(11) Martin N. Olmeda, the sum of $1,077;
(12) Lawrence E. Riley, the sum of $617;
(13) Dean W. Sabo, the sum of $1,077;
(14) Leon T. Scarborough, the sum of $902.75;
(15) George B. Stone, the sum of $442; and
(16) Paul K. Vincent, the sum of $434.

SEC. 2. The Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to an employee listed above any amount equal to the aggregate of the amount paid by such employee or withheld from any sum due him, in complete or partial satisfaction of the liability to the United States as specified in the first section of this Act.

SEC. 3. No part of the amounts appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of the Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exeeding $1,000.

By Mr. HEINZ:

S. 1214. A bill to amend the Railroad Retirement Act of 1974 to provide that certain military service shall be deemed part of the years of service of an individual for the computation of certain annuities; to the Committee on Labor and Human Resources.

RAILROAD RETIREMENT ACT

● Mr. HEINZ. Mr. President, today I am introducing legislation to correct an inequity in the Railroad Retirement Act that affects a very small number of railroad employees and retirees who served the United States of America during the Korean conflict.

Currently, under the Railroad Retirement Act, almost all veterans who served their country during a so-called war service period have their years of military service counted in their total years of service for retirement purposes. The military service provisions of the Railroad Retirement Act allow credit for military service to individuals whose railroad service was interrupted either by conscription or because he volunteered during an armed conflict or state of national emergency.

The problem is that if an individual entered into the military voluntarily—just prior to the commencement of a "war service period"—he cannot receive credit for any of the military service. Because of the way the war service periods are defined under the Railroad Retirement Act, between 1939 and 1978, only those who enlisted just prior to the Korean conflict receive no credit for their military service.

This matter was brought to my attention by a constituent from Altoona, Pa., Mr. Albert Lemme. Mr. Lemme received a draft questionnaire on October 3, 1950. Believing he had the right to exercise his preference concerning the branch of military service in which he chose to serve, Mr. Lemme enlisted in the U.S. Navy on October 17, 1950. He has since learned that none of his 4 years of military service are credited under the Railroad Retirement Act, because he enlisted voluntarily prior to the official war service period that began just 2 months later on December 16, 1950.

Mr. President, it is neither fair nor equitable to penalize those few railroad employees who voluntarily enlisted prior to this war service period, when they served alongside those who do get credit for the same service, simply because they enlisted or were drafted just a few months later than Mr. Lemme and others like him.

Let me elaborate on this inequity by describing the war service periods as defined by the Railroad Retirement Act. The war service period that began September 8, 1938, with the advent of World War II, ended following the Presidential proclamation of June 14, 1948. A subsequent war period began on December 16, 1950, in connection with the Korean conflict, and did not officially end until September 14, 1978. Thus, between 1939 and 1978, virtually the only people whose military service is not counted in total years of service are those who volun-

tarily enlisted in the 29-month period between June 1948 and December 1950. In addition, some small number of individuals who entered military service in the war service period between January 1, 1947, through June 14, 1948, do not get credit for their military service during the 29 months in between the war service periods.

This bill corrects these inequities. It redefines the "war service period" to include the period between June 15, 1948, through December 15, 1950. The bill thus eliminates the disparate treatment between individuals whose railroad employment was interrupted by military service. As a condition for crediting this military service, however, the bill requires that the individual's military service must have been preceded and followed by employment in the rail industry.

Mr. President, within a matter of a few short weeks, the Senate will be taking up the railroad retirement legislation that is necessary to prevent automatic, drastic reductions in benefits that will take place next October if Congress fails to act in time. I would like to see this noncontroversial, technical bill included in that legislation.

It is my understanding that representatives of labor and management will agree to this provision and would be willing to include it in the forthcoming railroad retirement bill. This is a good time for Congress to correct an inequity that affects only a small number of people. Because so few people will be affected by this bill, the cost of this provision would be negligible, too small to estimate. For this small group of people, however, the inequity is too unfair for us to ignore. I urge my colleagues to join me in support of this bill.

I ask unanimous consent that the text of the bill be made part of the RECORD.

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

S. 1214

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1(g)(2) of the Railroad Retirement Act of 1974 is amended by adding at the end thereof the following: "For purposes of section 3(i)(2) of this Act, the period June 15, 1948, through December 15, 1950, shall be deemed to be a war service period with respect to any individual who without intervening employment not covered under this Act rendered service as an employee to an employer under this Act in the year he was released from active military service or in the year immediately following such year.".

SEC. 2. The amendment made by this Act shall apply with respect to annuities accruing in months beginning after the date of enactment of this Act.●

By Mr. COCHRAN:

S. 1215. A bill to amend section 218 of title 38, United States Code, to clarify the authority of police officers and special investigators of the Veterans' Administration, to fix the rates of pay of such personnel, and for other purposes; to the Committee on Veterans' Affairs.

VETERANS' ADMINISTRATION POLICE AMENDMENTS OF 1983

● Mr. COCHRAN. Mr. President, today I am introducing legislation which addresses the needs of Veterans' Administration medical centers' police authorities. Hearings in the 97th Congress highlighted deficiencies in the current system of security enforcement and also in the retention of qualified personnel. This situation, which is common to VA medical centers throughout the country, is running off some of our most qualified security personnel and poses a threat of danger not only to each facility, but also to the surrounding communities.

The Veterans' Administration Police Amendments of 1983 clarifies the responsibility of VA police officers as enforcers of Federal laws and VA rules and regulations while on VA property. It allows the Administrator to determine whether officers and investigators need to carry firearms in case of emergencies. My bill also increases the amount of penalties the Administrator may set for violations of regulations which constitute petty offenses under Federal criminal law. This brings the penalty limits for offenses in line with those for other Federal agency property protection regulations. The longstanding problem of inadequate salary and uniform allowance is also remedied by this legislation in an attempt to both attract and retain highly competent police officers.

The issue of adequate pay scales for these important positions has been a major concern to VA officals and others, including the American Legion. During the September 23, 1982, House Veterans' Affairs Subcommittee on Hospitals and Health Care hearing on this subject, John F. Sommer, Jr., Deputy Director of the National Veterans' Affairs and Rehabilitation Commission at the American Legion made the alarming observation that the starting salary of a New York City VA police officer is "reported to be a little less than a married couple with one child receiving welfare payments."

Mr. Sommer also gave several illustrations of losses in the form of robbery and vandalism at VA medical centers which were directly attributable to an inadequate security system which allows a high turnover of personnel with little incentive for highly qualified people to even apply for positions, much less stay with the VA.

Mr. President, this is a distressing situation which needs immediate attention. I am proud to introduce this legislation as a remedy to the problems which have been brought to our attention through congressional hearings and personal contact from VA employees.●

By Mr. NUNN (for himself and Mr. MATTINGLY):

S. 1218. A bill to amend the act of August 15, 1978 regarding the Chattahoochee River National Recreation Area in the State of Georgia; to the Committee on Energy and Natural Resources.

CHATTAHOOCHEE RIVER NATIONAL RECREATION ACT AMENDMENTS OF 1983

● Mr. NUNN. Mr. President, I am pleased to introduce legislation along with Senator MATTINGLY which will carry out the intent of the original act which created the Chattahoochee River National Recreation Area. To fulfill this intent, any new proposal must provide an adequate property base for the long-term protection of the natural, scenic, and historic values of the Chattahoochee corridor. It must also include sufficient provisions for the growing recreational demands of the area. I believe our bill, which is identical to H.R. 2645 introduced by Congressman LEVITAS and eight of my colleagues from the Georgia House delegation, meets these criteria, and does so in a way which demonstrates a responsible awareness of the budgetary constraints currently facing the Congress.

The original act to establish the Chattahoochee River National Recreation Area was approved by the Senate after careful study in August of 1978. At that time, the boundaries of the park were generally defined, but it was understood that more time and study would be needed to further clarify the exact properties needed and best suited for the protection of this scenic corridor.

The Chattahoochee begins as a small mountain stream in northeast Georgia, passes by the northwest boundary of metro-Atlanta and forms the boundary for the States of Georgia and Alabama before flowing into the Apalachicola in Florida and then into the Gulf of Mexico. The Chattahoochee River National Recreation Area involves a string of park properties along a 48-mile stretch of river from Buford Dam to Peachtree Creek, near the center of Atlanta. Combined with the parcels of Federal property will be areas owned privately or controlled by local governments, but in which development will be strictly limited. Therefore, the plan as a whole provides substantial protection for the river corridor. The Federal presence provides the vital framework around which local effort and cooperation is built.

The preservation of the area has received broad-based support from both the State of Georgia and the various local governments involved. The Georgia State Legislature began limiting

development along the river with the Metropolitan River Protection Act in 1972. This past year the act was strengthened in an effort to prevent the further development of the Chattahoochee River corridor. Such local efforts have created the opportunity for this unique natural recreation area within a major metropolitan area.

Since the creation of the park, it has been marked by the enthusiasm and cooperation of the many governments, property owners and conservationists involved. The National Park Service park superintendent has organized a special advisory group composed of homeowners, developers, environmentalists and public officials. This advisory council has met regularly for the past 2 years. In addition, a dozen different citizens groups have joined together to form the Chattahoochee River Coalition, in order to facilitate citizen support.

After extensive public input through hearings, studies, and advisory groups, we are ready to go forward with a plan to complete the great national recreation area envisioned by the original legislation.

Specifically, this bill would increase the acreage ceiling from the present cap of 6,300 to a cap of 7,328 acres. Park boundaries would be changed by adding some land, while deleting other sections, in order to most efficiently use the funds available. The bill would increase the presently authorized funding cap from $72.9 million to an overall ceiling of $84.6 million. This percentage change in funding reflects the change in land authorization.

It should be noted that funding for the park does not come from general tax dollars, but rather from the land and water conservation fund. This fund is created by the proceeds from mineral development leases on the Outer Continental Shelf and other public lands. The funds generated by the depletion of one public resource are then designated for the purchase of new public resources.

The bill would also limit further condemnation by the Park Service of land included in the proposed park boundary used for agricultural or limited residential purposes and yet preserves the power to prevent commercial encroachment. The bill would not necessarily prevent any water projects in the area which might be needed in the future. It would also create an advisory commission to provide a forum for local participation in the park.

I am proud of this bill and I am glad to introduce it as a companion to the Levitas bill in the House of Representatives. Many organizations such as the Chattahoochee River Coalition, the Sierra Club, the League of Women Voters and the Audubon Society have already endorsed the bill.

The Chattahoochee River National Recreation Area is a nationally significant resource which will rapidly be engulfed in urban sprawl if we do not act soon to insure its protection. Along the Chattahoochee we have a rare opportunity to preserve a large natural area within a metropolitan area with a population approaching 2 million. Such opportunities have already been lost in many other major cities.

The river corridor provides a habitat for many species of wildlife including deer, fox, beavers and, during spring migrations, over 100 bird species. Of special significance was the sighting of a young bald eagle in the park.

Another important factor is the water quality protection provided by the park. One-fourth of metro-Atlanta's water supply comes from the Chattahoochee. Investments in this park may prevent expensive water quality problems in the future.

The area also has historical significance; 5,000 to 7,000 year old Indian rock shelters and village sites have been discovered near the river. More modern Creek and Cherokee village sites are also present. In several places, confederate trench works formed during the last defense of Atlanta are still evident.

One of the most important elements of the plan is, of course the recreational opportunities it provides. The average resident of the Southeastern United States will never be able to afford to visit one of the crown jewels of the National Park System, but millions have already visited the natural splendor along the Chattahoochee. Thousands of Atlanta children may never have the opportunity to see Yellowstone or Glacier National Park, but they may catch a trout or see a beaver on the Chattahoochee, a few miles from downtown Atlanta.

Although still uncompleted, the park is one of the most popular park service sites in the Nation. Approximately 20 percent of the park patrons are from outside the metropolitan Atlanta area. These recreational opportunities are particularly important in light of the fact that, according to National Recreation and Park Association standards, the seven county metro area has a 17,000- to 20,000-acre shortage of open space. According to current growth projections the shortage could be 45,000 acres by the year 2000.

The preservation of park lands throughout the Nation is becoming increasingly important as more and more Americans seek outdoor recreation at the same time open space is quickly disappearing under a concrete blanket of high rises and parking lots.

If the preservation opportunity on the Chattahoochee is not seized soon it will be lost forever to urban sprawl. The Chattahoochee River National Recreation Area has been an ongoing proposal for more than 10 years now, and it cannot be deferred any longer. I urge my colleagues to support the completion of this worthwhile and nationally significant project, which will preserve the natural beauty of this area for future generations.

Mr. President, I send the bill to the desk and ask unanimous consent that it be printed in the RECORD.

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

S. 1218

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the first sentence of section 101 of the Act of August 15, 1978, entitled "An Act to authorize the establishment of the Chattahoochee River National Recreation Area in the State of Georgia, and for other purposes." (P.L. 95-344; 16 U.S.C. 460ii) is amended by inserting "a 2,000 foot wide corridor adjacent to each bank of the Chattahoochee River and its impoundments in" after "other values of".

(b) Section 101 of such Act is amended—

(1) by striking out "numbered CHAT-20,000, and dated July 1976" and substituting "numbered ——, and dated ——, 1983"; and

(2) by striking out "six thousand three hundred acres" and substituting "approximately 7,328 acres".

(b) Section 102 of such Act is amended by adding the following new subsections at the end thereof:

"(f)(1) The Secretary shall identify for exhange those lands (hereinafter referred to as 'exchange lands') owned by the United States which—

"(A) were within the boundaries of the recreation area (as depicted on the map entitled 'Chattahoochee River National Recreation Area', numbered CHAT-20,000, and dated July 1976) before the date of the enactment of this subsection; and

"(B) are not within such boundaries as depicted on the map referred to in section 101 (entitled 'Chattahoochee River National Recreation Area', numbered ——, and dated ——, 1983).

Where possible the Secretary shall exchange such exchange lands for nonfederal lands which are within the boundaries of the recreation area as depicted on the map referred to in section 101 (entitled 'Chattahoochee River National Recreation Area', numbered ——, and dated ——, 1983). The values of lands exchanged under this subsection shall be equal, or shall be equalized, in the same manner as provided in section 206 of the Federal Land Policy and Management Act of 1976.

"(2) After the date 10 years after the date of the enactment of this subsection, the Secretary, in consultation with the Advisory Commission, shall review—

"(A) the exchange lands identified under paragraph (1) which have not been exchanged, and

"(B) the remaining nonfederal lands which are within the boundaries of the recreation area as depicted on the map referred to in section 101 (entitled 'Chattahoochee River National Recreation Area', numbered ——, and dated ——, 1983) which are unlikely to be available or suitable for exchange or purchase by the Secretary.

On the basis of such review, the Secretary shall determine which of the exchange lands should be disposed of and which of

such lands should be retained in Federal ownership and included within the recreation area.

"(3)(A) The exchange lands which the Secretary determines, under paragraph (2), to be unsuitable for inclusion in the recreation area may be disposed of in accordance with the provisions of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.).

"(B) In the case of the exchange lands which the Secretary determines, under paragraph (2), to be suitable for inclusion in the recreation area, the Secretary shall publish a revision of the boundary map referred to in section 101 to include such areas. Upon publication of such revised map, such areas shall be included within the recreation area and shall be administered as provided in section 103.

"(g)(1) No lands, waters, or interests therein may be acquired under this Act without the consent of the owner thereof if the property concerned is used for single family residential purposes unless, after its inclusion in the recreation area—

"(A) a permit is applied for to permit the use of the property of any purpose other than single family residential purposes; or

"(B) the property is used or altered in a manner which will have an adverse effect on the values and purposes for which the recreation area was established and the owner has failed or refused, after reasonable notice from the Secretary, to take reasonable steps to correct such adverse effects.

"(2) No lands, waters, or interests therein may be acquired under this Act without the consent of the owner thereof if the property concerned is used for agricultural purposes unless, after its inclusion in the recreation area—

"(A) a permit is applied for to permit the use of the property of any purpose other than agricultural purposes; or

"(B) the property is used or altered in a manner which will have an adverse effect on the values and purposes for which the recreation area was established and the owner has failed or refused, after reasonable notice from the Secretary, to take reasonable steps to correct such adverse effects.

"(3) If an owner of lands or interests therein within the recreation area intends to transfer any such lands or interest to persons other than the owner's immediate family, the owner shall notify the Secretary in writing of such intention. Within 60 days after receipt of such notice, the Secretary shall respond in writing as to his interest in exercising a right of first refusal to purchase fee title or lesser interests. If, within such 60 days, the Secretary declines to respond in writing or expresses no interest in exercising such right, the owner may proceed to transfer such interests. If the Secretary responds in writing within such 60 days and expresses an interest and intention to exercise a right of first refusal, the Secretary shall exercise such right within 90 days after the date of the Secretary's response. If the Secretary fails to initiate action to exercise such right within such 90 days, the owner may proceed to otherwise transfer such lands or interest. Nothing in this paragraph shall be construed to impair or affect the authority of the Secretary to subsequently acquire such lands, or any interest therein, under this Act.

"(4) As used in this subsection—

"(A) The term 'single-family residential purposes' means use for a single-family dwelling, the construction of which began before January 1, 1983. Property use for single-family residential purposes includes the entire tract of land (determined as of January 1, 1983, in accordance with applicable deeds and property tax records) on which the dwelling and appurtenant buildings are located and which is in the same ownership as such dwellings.

"(B) The term 'agricultural purposes' means production of food or fiber except that such term does not include commercial timber operations.

"(C) The term 'immediate family' when used with respect to a property owner means the spouse, brother, sister, parent, or child of such property owner. Such term includes a person bearing such relationships through adoption and a stepchild shall be treated as a natural born child for purposes of determining such relationship.".

(c)(1) Section 104 of such Act is amended by adding the following at the end thereof:

"(d) Any department, agency, or instrumentality of the United States or of the State of Georgia, or any other entity which constructs any water supply project or other project (including any dam, water conduit, reservoir, power house, road, or transmission line) which adversely affects the recreation area shall mitigate such adverse effects by acquisition of replacement lands of comparable resource value within the corridor referred to in section 101. Such replacement lands shall be acquired only after consultation with the secretary. Any lands acquired under this subsection shall be included in the recreation area and transferred to the Secretary for management under this Act.".

(2) Nothing in any amendment made by this Act shall affect the provisions of section 104 regarding the construction of water resources projects.

(d) Section 105(a) of such act is amended by striking out "$72,900,000" and substituting "$84,600,000".

(e) Title I of such Act is amended by adding the following at the end thereof:

"SEC. 106. (a) There is hereby established the Chattahoochee River National Recreation Area Advisory commission (hereinafter in this Act referred to as the 'Advisory Commission'). The Advisory Commission shall be composed of the following 12 voting members appointed by the Secretary to serve for terms of 5 years:

"(1) four members appointed from among individuals recommended by local governments—

"(A) one of whom shall be recommended by the Board of County Commissioners of Forsyth County;

"(B) one of whom shall be recommended by the Board of County Commissioners of Fulton County;

"(C) one of whom shall be recommended by the Board of County Commissioners of Cobb County; and

"(D) one of whom shall be recommended by the Board of County Commissioners of Gwinette County;

"(2) one member appointed from among individuals recommended by the Governor of Georgia;

"(3) one member appointed from among individuals recommended by the Atlanta Regional Commission;

"(4) two members appointed from among individuals recommended by a coalition of citizens, public interest groups and environmental organizations concerned with the protection and preservation of the Chattahoochee River;

"(5) two members appointed from among individuals recommended by the Georgia Chamber of Commerce or by a local chamber of commerce in the vicinity of the recreation area; and

"(6) two members who represent the general public, at least one of whom shall be a resident of one of the counties referred to in paragraph (1).

In addition, the Park Administrator for the recreation area shall serve as a nonvoting member of the Advisory Commission. Any voting member of the Advisory Commission may be reappointed for one additional 5 year term. The Advisory Commission shall designate one of its members as Chairman.

"(b) The Advisory Commission shall meet on a regular basis. Notice of meetings and agenda shall be published in local newspapers which have a distribution which generally covers the area affected by the park. Commission meetings shall be held at locations and in such a manner as to insure adequate public involvement.

"(c) Members of the Commission shall serve without compensation as such, but the Secretary may pay expenses reasonably incurred in carrying out their responsibilities under this Act on vouchers signed by the Chairman.".

SEC. 2. Any provision of any amendment made by this Act which, directly or indirectly, authorizes the enactment of new budget authority described in section 402(a) of the Congressional Budget Act of 1974 shall be effective only for fiscal years beginning after September 30, 1983.●

● Mr. MATTINGLY. Mr. President, I am happy to join my distinguished colleague, Senator NUNN, in introducing this bill which will modify and update the original act of Congress which authorized the Chattahoochee River National Recreation Area in 1978. That legislation recognized as a significant National resource a 48-mile segment of the Chattahoochee River extending from Peachtree Creek to Buford Dam. The current statute mandated the Secretary of the Interior to return to Congress with a general management plan which more fully defined the exact areas which should be included within the boundaries of the park and the manner in which these properties would be utilized to further the goal of providing educational and recreational opportunities while protecting the unique qualities and stunning beauty of this national asset.

In September 1981, the National Park Service prepared a draft environmental impact statement and general management plan in which it proposed that the CRNRA be completed, with minor changes, at the 6,300 acre size originally envisioned by Congress in 1978. However, current budgetary restraints have caused the Interior Department to withdraw that draft, and rather than make an official recommendation that no further action be taken to acquire and protect properties in excess of the currently owned 3,500 acre, Secretary James Watt has been kind enough to simply take no formal action. So, the purpose of the bill which we introduce today is to

stand in lieu of the management plan approach and allow Congress to decide directly on the future of this vital resource.

Some areas that were included in the original plan have been dropped and others added. Overall, the acreage ceiling will go from 6,300 to 7,328 acres. Although land swaps will be done where possible, the authorized funding cap will increase from $72.9 million to a ceiling of $84.6 million.

Conservationist who have made a careful study of the situation say the increased acreage is necessary for us to have a viable park. Some have advocated far more than this be added to the park but a real effort was made to recognize some of the budgetary restraints we are now under and keep the increase to a minimum.

A bill identical to this one was recently introduced in the House by Congressman ELLIOTT LEVITAS and eight other Members of the Georgia delegation. It has the backing of all the major conservation organizations including the Georgia Conservancy, the Sierra Club, the Audubon Society, the League of Women Voters, and the Chattahoochee Park River Coalition.

A major problem we face with the Chattahoochee Park is the threat of deveopment. Many areas that are vital to the park are on the verge of being sold to developers. Candidly some of the past zoning decisions in the area were not at all helpful. I believe recent bills adopted by the Georgia Legislature and signed into law will provide more protection for the river.

The park has had broad support. The Interior Secretary James Watt rafted the Chattahoochee years ago as Director of the Office of Outdoor Recreation. More recently, he provided key help to me in obtaining $14 million for a piece of river property that we were about to lose. The option on that 350 acres was coming up and the failure to buy would have almost certainly resulted in its development.

I should also mention the support of some of the private property owners along the river. They have been very patient considering the long delays we have faced in completing the park.

It is a beautiful river. By its location in an urban area and in a transportation hub for the entire South, there will be hundreds of thousands of people visiting the Chattahoochee. They will be able to fish for trout, go rafting, view wildlife, or simply have a picnic.

Mr. President, I believe strongly in the Chattahoochee Park. I have personally spent more hours than I care to remember debating, discussing, and working on park plans, or park funding. The time has come to act.●

By Mr. MELCHER:

S. 1219. A bill to define the circumstances under which construction workers may deduct travel and transportation expenses in computing their taxable incomes for purposes of the Federal income tax; to the Committee on Finance.

CONSTRUCTION WORKERS' TRAVEL COSTS

● Mr. MELCHER. Mr. President, the bill I am introducing today clarifies the tax law concerning the deductibility of travel expenses to and from temporary job sites. Under this amendment, taxpayers will be deemed to be temporarily away from home for their first 2 years of employment at any job site more than 40 miles from their home, and thus will be eligible for travel expense tax deductions. Thereafter, the deductibility of their travel expenses will be determined, case by case, on the basis of whether the expenses were incurred because of business necessity rather than personal convenience.

I introduced the same bill in the last Congress as S. 1342. We were unable to get hearings on S. 1342, but the Senate approved an amendment to H.R. 6211, the highway construction/gas tax bill, calling for the IRS to present alternatives to their current rules concerning the deduction of travel expenses to and from temporary job sites. Although that amendment did not survive conference with the House of Representatives, its adoption in the Senate clearly showed there is real concern over the current IRS rules.

Under the 1-year rule, as enforced through IRS rulings 59-371 and other similar rulings, the IRS automatically disallows deductions for away-from-home travel expenses for construction workers if they are on the temporary job site for longer than 1 year. Under the 1-year rule, not only does the IRS disallow current deductions for away-from-home expenses, but also using the hindsight test, the IRS disallows deductions claimed during the previous year.

This arbitrary test is totally unfair to the taxpayer and, in fact, has been struck down in court cases in the eighth and ninth districts. This bill is aimed at eliminating these unfair IRS rulings, and replacing them with a simple and fair method to determine the deductibility of away-from-home expenses.

The need for this legislation is best illustrated by an actual case history. In 1970, Mr. Louis Frederick, a carpenter, lived in Belcourt, N. Dak.—his hometown—with his wife and five children. He had practiced his trade in the Belcourt area, close to his home, for more than 18 years.

In the summer of 1970, however, there was no work available for carpenters in the Belcourt area. Mr. Frederick's union referred him to an antiballistic missile project in Nekoma, N. Dak., 81 miles from his home. His only alternative to working in Nekoma would have been to go on welfare.

When he took the job, Mr. Frederick knew that his tenure at Nekoma was highly uncertain. Work at the project was seasonal, owing to the harsh North Dakota winters. Layoffs were routine occurrences because of the 17,000 change orders made on the project. A laid-off worker would be placed at the bottom of the referral list, and a subsequent referral would be to the first available job, which might or might not be the Nekoma project. The project was part of the Safeguard antiballistic missile system, whose construction depended on the progress of the SALT talks. Once the missile site was completed no more carpentry work would be available in the Nekoma area.

In order to take the job at Nekoma, Mr. Frederick had only two choices. Either he had to drive 81 miles to and from Nekoma each day, or he had to move closer to the project. Moving closer to the project was not a realistic option, since he could be laid off at any time, and if he were laid off there would be no other available work in the Nekoma area. In any event, there was no housing available in Nekoma or the surrounding communities. The limited housing in the area had long been spoken for, and the Government and the contractor had refused to build housing because of the uncertainty of the project. Mr. Frederick tried to find a room near the project, but none was available, and on several occasions he had to sleep in his car. In light of these circumstances, Mr. Frederick made the only reasonable decision: He decided to drive back and forth each day.

Mr. Frederick deducted the costs he incurred in driving to the project each day as ordinary and necessary business expenses. The IRS disallowed the deductions, on the theory that Mr. Frederick's travel expenses were personal expenditures, indistinguishable in the IRS' view—from the commuting expenses of typical suburbanites.

Both the U.S. District Court for North Dakota and the Eighth Circuit Court of Appeals rejected the IRS position and held the expenses to be fully deductible. Mr. Frederick thus finally prevailed, although he was forced to incur substantial legal expenses to do so.

The problems encountered by Mr. Frederick are not unusual in the construction industry. Construction workers typically maintain their homes in areas where work is generally available, and move from job to job within those areas. Because construction work is erratic and uncertain, however, most workers eventually experience times when no work is available in their home areas. When this happens, the worker must look for a job else-

where until work opens up nearer home.

Workers forced to look for work elsewhere face a variety of problems of the kind experienced by Mr. Frederick. The job outside the home area will often be in a remote or unpopulated area in which local housing is scarce or nonexistent. There typically will be few prospects for further employment once the worker's project is completed. And, of course, the progress of the distant job—and the worker's continued employment—like all construction work, will always be subject to interruption because of supply, regulatory, environmental, and economic problems.

A worker in this situation has no choice but to incur substantial travel costs in order to practice his trade. It is not unusual for workers to drive 100 miles or more each day to and from these temporary jobs, often spending almost all their waking hours either working or traveling. The travel is difficult and expensive, but it is necessary if the worker is to continue earning money.

The IRS, however, generally takes the position that these travel expenses are not necessary to the worker's trade but are incurred for personal reasons, and are therefore not deductible.

The IRS has announced that it will refuse to follow the Frederick decision. The Service based this position on its conclusion that the decision "conflicts in principle with a long line of judicial authority." In fact, Frederick is fully consistent with existing law, which allows deductions for all necessary business travel expenses. The expenses incurred by Mr. Frederick were unavoidable if Mr. Frederick was to practice his trade. They were thus ordinary and necessary business expenses and properly deductible.

In determining whether construction workers may deduct the travel expenses they incur in traveling to and from distant job sites, the IRS—apparently for reasons of administrative convenience—applies a hindsight approach in deciding whether a worker's travel expenses resulted from personal convenience rather than business necessity. Thus, in auditing construction worker's tax return, the IRS ordinarily asks only how long the job actually lasted, disdaining any inquiry into whether there was any reasonable possibility of predicting the job's duration at any previous time.

The hindsight approach is often used in tandem with a rule of thumb known as the 1-year rule. This informal administrative rule, followed in the field by IRS examining agents, provides that a job that lasts more than 1 year is presumed not to be temporary—whether or not the worker could have determined its length in advance—in the absence of special circumstances. If under this rule the job is not temporary, travel expenses incurred in connection with it are held to be nondeductible.

The IRS frequently explains its reasons for denying these deductions by stating that the construction worker's job is not temporary, but is indefinite. These terms are often used in judicial decisions in elucidating whether the expenses are necessary; if the distant job is temporary, the travel expenses are necessary, but if it may be expected to last indefinitely, the taxpayer should move nearer the job rather than incur the expenses. The IRS unjustifiably interprets this test in construction worker cases to mean that any uncertainty over the expected length of the job precludes deductibility. This interpretation, however, is inconsistent with the reasons underlying the test; a taxpayer can reasonably be expected to avoid travel expenses by moving closer to the job only if he is assured of some minimum length of employment. It makes no sense to move closer to a job that may terminate at any time. The proper test is that travel expenses to an indefinite job are nondeductible only if the job is expected to last for an indefinite and substantially long period of time.

The approach taken by the IRS has resulted in discrimination against construction workers by denying them the right to deduct expenses that unquestionably would be deductible if incurred by persons in other professions. An attorney with a Chicago law firm who travels to Los Angeles for a complex antitrust trial that may be settled promptly but may last 2 years if it has to be tried is entitled to deduct his travel expenses. He is not subjected to a hindsight test if he eventually has to conduct a protracted trial, nor are his expenses denied simply because the case in fact lasted longer than 1 year. Similarly, his deductions are not denied because the length of the case is indefinite; indeed, his uncertainty over its length is a strong factor supporting deductibility. Construction workers such as Mr. Frederick are in no different situation, and they should not be subjected to different treatment.

There are indications that the Service may be preparing to advance to an even more extreme position. In the recently decided case of *Paolini* v. *Commissioner,* T.C.M. 1982-69 (February 11, 1982), the Service departed from a longstanding policy and contended that travel each day between a personal residence and any place where business is done, even if the taxpayer works at the alternate site for only a single day, is commuting unless the trip requires sleep or rest, and that expenses incurred in such travel are therefore nondeductible. The Tax Court, in a highly questionable decision, accepted the Service's position. The Service had attempted to adopt this position previously by publishing Revenue Ruling 76-453, 1976-2 C.B. 86, but Congress forbade the IRS from implementing the policy by passing Public Law 95-427 and Public Law 96-167. Although the congressional prohibition has not expired, it was allowed to do so with the understanding that no similar ruling would issue until Congress has had a chance to act. The IRS is apparently nevertheless asserting the rationale of the forbidden ruling in its litigating positions.

The problems cause by the IRS position are widespread. The Service often conducts mass audits at large construction projects, disallowing travel expense deductions for long lists of workers. These and other audits, and the controversy they often generate, consume audit resources of time and money that are disproportionately large when compared with the amount of additional revenue collected. Congressional action is necessary to eliminate the waste of audit resources and the unfairness of treatment resulting from the IRS administrative practices.

This need for corrective action is clear and I hope that my colleagues will join me in approving this bill.

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. 1219

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

SECTION 1. AMENDMENT OF INTERNAL REVENUE CODE OF 1954.

(a) TRAVEL AND TRANSPORTATION EXPENSES OF CONSTRUCTION WORKERS.—Section 162 of the Internal Revenue Code of 1954 (relating to deductions for ordinary and necessary business expenses) is amended by inserting therein the following new subsection:

"(h) SPECIAL RULE FOR CONSTRUCTION WORKERS.—

"(1) DEFINITION OF TEMPORARY JOB SITE.—For purposes of applying subsections (a)(1) and (a)(2) to travel and transportation expenses incurred by construction workers, a job at a site located more than 15 miles from a construction worker's principal place of residence—

"(A) shall be deemed to be temporary for the first 2 years that the worker is employed at that job, and

"(B) shall be determined to be temporary or not temporary with respect to periods following the first 2 years of employment based on an examination of all the facts and circumstances, subject to the rules set forth in subparagraphs (2), (3), and (4).

"(2) EFFECT OF FIRST 2 YEARS ON SUBSEQUENT DETERMINATION.—In determining whether or not a job is temporary under subparagraph (1)(B), the worker's employment at the job during the period specified in subparagraph (1)(A) shall not be taken into account.

"(3) INDEFINITE EMPLOYMENT.—No deduction shall be disallowed, by reason of section 262 or any other provision of law, solely be-

cause a construction worker's employment at a job site is of indefinite duration.

"(4) PROHIBITION ON APPLICATION OF 1 YEAR RULE.—In making the determination specified in subparagraph (1)(B), no length of time shall be deemed, either automatically or presumptively, to make the job other than temporary. The '1-year' rule set forth is Revenue Ruling 59-371, or in any similar ruling or regulation, is expressly disapproved as a grounds for disallowing deductions.

"(5) DEFINITION.—For purposes of this subsection, the term 'construction worker' means any individual employed, whether as a skilled, semiskilled, or unskilled laborer, in the building or construction industry, but does not include clerical or management employes.".

(b) TECHNICAL AMENDMENT.—Subsection 162(h) of the Internal Revenue Code of 1954 is amended by striking out "(h)" and inserting therefor "(j)".

SEC. 2. EFFECTIVE DATE.

This section shall apply to all judicial or administrative determinations that are made subsequent to December 31, 1980, with respect to the deductibility of travel or transportation expenses.●

By Mr. MATHIAS (for himself, Mr. KENNEDY, Mr. HEINZ, Mr. BIDEN, Mr. SPECTER, Mr. BAUCUS, Mr. STAFFORD, Mr. LEAHY, Mr. PACKWOOD, Mr. METZENBAUM, Mr. DURENBERGER, Mr. CRANSTON, Mr. DANFORTH, Mr. GLENN, Mr. WEICKER, Mr. HART, Mr. HATFIELD, Mr. HOLLINGS, Mr. BOSCHWITZ, Mr. INOUYE, Mr. MOYNIHAN, Mr. RIEGLE, Mr. SARBANES, Mr. TSONGAS, Mr. BURDICK, Mr. BENTSEN, Mr. PROXMIRE, Mr. LAUTENBERG, Mr. BRADLEY, Mr. LEVIN, Mr. DODD, Mr. MATSUNAGA, Mr. BINGAMAN, Mr. EAGLETON, Mr. PELL, Mr. MELCHER, Mr. MITCHELL, Mr. JACKSON, and Mr. DIXON):

S. 1220. A bill to amend title VIII of the act commonly called the Civil Rights Act of 1968, to revise the procedures for the enforcement of fair housing, and for other purposes; to the Committee on the Judiciary.

FAIR HOUSING AMENDMENTS ACT OF 1983

Mr. MATHIAS. Mr. President, on April 11, 1968, title VIII of the Civil Rights Act of 1968 was enacted codifying the policy of the United States to provide for fair housing throughout the United States and making unlawful discrimination in the sale or rental of housing because of race, color, religion, sex, or national origin.

The law was hurriedly drafted on the floor of the U.S. Senate in response to a rising tide of protest. As a result, title VIII states a clear national policy against housing discrimination, but is short on details on how discrimination is to be eliminated.

The statute designated the Department of Housing and Urban Development as the lead enforcement agency, but gave the HUD Secretary only conciliation authority to resolve individual discrimination complaints.

The only other recourse for a person alleging discrimination is a private court suit—a time-consuming, costly avenue of redress, which is a realistic choice for only a few victims of discrimination.

These cases are usually brought by one of a small number of attorneys. The relatively low award of damages as well as the present law's indigency provision regarding attorneys' fees may account in part for this.

Families denied housing need relief quickly, not years later when the apartment they want is already rented or the house is sold. The lack of knowledge of how to go about a court suit coupled with the costs of hiring an attorney and taking time off from work to go to court preclude most persons from ever pursuing this route.

As the first Secretary of Housing and Urban Development, Robert Weaver, noted:

Title VIII charged the Department of Housing and Urban Development with the responsibility for "enforcement" of its provisions but gave HUD no real enforcement authority. Instead, the statute restricted enforcement of the important rights protected under the fair housing law to ligitation by private parties or, in selected cases, by the Department of Justice.

Thus, we saddled the already overburdened courts—and particularly the Federal courts—with an additional burden. And this additional burden was in an area—housing—in which they possessed little experience or expertise.

Mr. President, the time to trial in most metropolitan district courts is longer than 2 years.

Because of HUD's lack of success in conciliating discrimination complaints, victims do not perceive the conciliation process as offering a true remedy.

Even though the number of discrimination complaints filed with HUD has increased from 2,931 in 1979 to 5,112 in 1982, the Department's success in conciliating those complaints still remains below 20 percent.

These complaints included:

Refusal to rent;

Refusal to sell;

False representation by a manager or real estate agent;

Blockbusting;

Discriminatory financing;

Discriminatory brokerage service;

Discriminatory membership treatment in a real estate broker organization;

Discriminatory terms or conditions in a rental or sale; and

Steering.

A 1979 HUD-funded survey or 40 metropolitan housing markets found the probability that black homeseekers would encounter discrimination 75 percent of the time in the rental market and 62 percent of the time in the sales market.

In 1980 HUD estimated that more than 2 million instances of housing discrimination occur each year. Yet, because of the lack of an adequate enforcement mechanism and because of the sophisticated, subtle practices employed, only one-quarter of 1 percent ever result in formal complaints.

As former HUD Secretary Carla Hills stated:

The most serious obstacle to an effective title VIII program is the lack of adequate enforcement powers . . . the present law, in relying upon conciliation, is an invitation to intransigence.

Discrimination in the housing market continues today. It is simply more difficult at times to detect discrimination, but it is just as insidious as it was in its earlier more blatant forms.

In the words of one court:

Discrimination may be, and often is, artfully cloaked and concealed in sophisticated language so that its true nature does not become obvious. (Haythe v. Decker Realty Co., 7th Cir. 1972.)

The prospective renter may be shown an apartment and may even be offered an application to fill out. Then, later, he or she will be told the apartment was rented to someone else or that he or she "lacked adequate credit." The rejected applicant is told that their race, sex, or handicap did not enter into the rejection decision.

The Leadership Council for Metropolitan Open Communities in Chicago describes the bizarre lengths to which some agents will go to avoid confronting a prospective black homeseeker.

In one case, each time the agent spotted the complainant approaching the rental office, she would lock all of the doors and close shop for the day. On one occasion, the complainant spotted her locking the front door and raced around to the rear to slip in the back door. He arrived just in time to hear the door slam and a lock click. The investigator suggested that the complainant approach the office door 5 minutes after the investigator entered the building. While the investigator discussed available apartments, the defendant spotted the complainant approaching the building. With a rush, she charged past the investigator, kicking his ankles and stepping on his feet in her attempt to lock the front and back doors. Suit was filed on the basis of that unusual office procedure.

In another case, the complainants had extreme difficulty in locating a salesman to show them the model homes in a suburban community. Whenever they would approach the models, the salesmen would race for their cars and peel-off. On one occasion, the complainant chased after them in his car at high speeds, while his wife took pictures of the fleeing salesman. Not good enough! A confrontation was necessary, and the investigator made an appointment to see the models. He met the salesman at the model, and they went inside. The salesman locked both front and back doors after entering the model, and once secure in the belief that he could avoid being seen by black homeseekers, he proceeded to offer the model to the investigator at a much lower price.

Soon, there was a knock at the door. Ignored! Another knock at the door. Ignored! Finally, the salesman shouted to the face pressed against a back window, "We're closed for the day." The outside face seemed uncomprehending. The salesman finally opened the door to deliver his message, and bodies flooded past him. The complainant, his wife, and children cornered the defendant in the kitchen and told him they were interested in purchasing one of the houses. He demurred weakly, said that he was nothing more than a groundskeeper, and had nothing at all to do with the selling of the homes. Suit was filed, and, of course, the investigator's testimony was crucial to the success of the case.

The process of auditing certain situations, thus, becomes a crucial tool in detecting sophisticated discriminatory practices. In some cases, discrimination can only be verified when the same type of applicant with the same income, credit history, employment history, and references—except that he is white, male, childless, and nonhandicapped—applies for the same apartment or house and is accepted.

Mr. President, housing discrimination skews the market, inflates housing rents and prices for everybody, increases the time and cost of the journey to work, school, shopping, and public services for all. And because the effect of a dual housing market is segregation, it has given rise to litigation in a host of related areas, most notably schools. The response of the courts has been busing, a costly, inconvenient remedy for the entire community. Increasingly, the courts in their consent decrees with communities are recognizing that the root cause of segregated schools is the dual housing market—one white and one black. Until such time as we have guaranteed equal access to housing for all Americans, the larger spinoff effects of segregation will continue to plague our towns and cities.

It is clear that the majority of Americans will not countenance civil rights violations of any kind including the denial of housing. In his 1981 book, "The New Suburbanites: Race and Housing in the Suburbs," Robert W. Lake recounts the following homebuyer reaction to racial steering.

Before we bought our house, we had gone to P. We went to two people, and they seemed to take us to black run-down areas. And I didn't want a black run-down house in a run-down area, so we just stopped looking altogether.

My husband just happened to see this particular home, he liked it, and we bought it. How did I find it? It was on the placard they put out front.

We are in a period of new economic realities. People are demanding quality services and products for their hard-earned dollars. And if they do not get them, they will go elsewhere.

The bill I am introducing today on behalf of a bipartisan group of cosponsors is not new to this body. It is very similar to a bill that the Judiciary Committee reported to the Senate in late 1980. It is the product of 6 days of extensive Judiciary Committee hearings in the 96th Congress and 3 days of markup. It has been debated and honed in committee.

The debate on the merits of the bill in the waning days of the 96th Congress was thwarted by 9 days of filibuster and procedural delay. That failure to bring the fair housing bill before the full Senate for debate was a great disappointment to me personally as it was to the bipartisan Senate cosponsors and the bipartisan House leaders who had shepherded a similar bill through the other body by an overwhelming two-thirds majority.

Given this legislative history, I hope that this bill will receive early and expeditious consideration by my colleagues on the Judiciary Committee and that we can make fair housing a priority legislative agenda item of this Senate session.

Let me review the principal features of the fair housing bill at this point.

The purpose of the bill is to provide a speedy, fair, and inexpensive adjudication process for the person alleging denial of housing as well as the respondent or person charged. It does this by means of a hearing by an independent administrative law judge appointed by a Presidentially appointed three-member Fair Housing Review Commission. This Commission was proposed by our colleague from Alabama, Senator HEFLIN, during committee markup to insure the independence of the law judges from influence of the agency administering the law. It would also hear appeals from the decision of the law judge.

This type of administrative enforcement mechanism is a well-established method of expediting individual, but significant cases and is employed by 28 Federal agencies and departments.

The advantage of this administrative enforcement mechanism is that the law judges are specialists in the field of housing discrimination hearing, as they do, only those types of cases. Thus, decisions will be more predictable and uniform as would the setting of penalties because of the law judge's greater experience in a specialized area. In addition, ALJ's are a cadre of mobile expert hearing judges who can go where the parties are located and the alleged complaint arose, rather than forcing the parties to incur time and costs in travelling to a court which may not be close by and which invariably will have an overloaded schedule of cases.

As the Administrative Conference of the United States stated in its 1972 recommendations entitled "Civil Money Penalties as a Sanction":

. . . the already critical overburdening of the courts argues against flooding them with controversies of this type which generally have small precedential significance.

The law judge may order equitable and declaratory relief, compensatory damages, and may impose a civil penalty up to $10,000.

Reasonable attorney and expert witness fees may also be allowed to the prevailing party.

The law judge's proposed order becomes final 30 days after its issuance unless it is appealed.

Any of the parties may appeal to the Fair Housing Review Commission within 30 days after issuance of the law judge's proposed order. The Commission shall establish an appeals panel of two commissioners and one law judge who did not hear or decide the case. The appeals panel may approve, reject, modify, or vacate and remand the law judge's proposed order.

Any party may appeal to the court of appeals within 60 days after the law judge's order becomes final. The court's review of the findings of fact is based on the traditional "substantial evidence" test.

In sum, within 30 days of the law judge's issuance of a proposed order, any of the parties may appeal to the Fair Housing Review Commission. Appeal of a final order may be filed with the court of appeals within 30 days.

If, after an initial investigation, the Secretary of HUD believes prompt action is necessary to hold the housing unit in dispute off the market until a resolution of the charge, the Secretary may ask the Attorney General to seek a temporary restraining order from the court.

This temporary injunctive relief, coupled with the law judge's authority to issue cease and desist orders, award relief, compensatory damages and civil penalties provides the "teeth" to enforce title VIII. Without them, title VIII will remain what the National Urban League calls it—a "paper tiger."

With these powers available to enforce the law, the existing HUD conciliation process will work far better than it has in the past. A person charged will be much more willing to sit down and talk and come to an agreement with the aggrieved person if he or she knows that the alternative is a hearing before a law judge who can impose stiff penalties.

So, while the fair housing bill provides strong enforcement teeth, their very existence will make the current HUD conciliation process much more effective.

A second important feature of my bill is the required referral of individual cases filed with HUD to those State and local agencies which, through a similar hearing process, protects rights and provides remedies substantially equivalent to those provided in this bill. HUD would take no further action with respect to cases re-

ferred to those substantially equivalent State and local agencies. The case would be handled entirely at the local level.

Thus, we would hope by enactment of this legislation to establish a Federal model which State and local human rights commissions could look to in improving their enforcement mechanisms for housing discrimination cases. Several States already have comprehensive fair housing statutes and enforcement mechanisms which may qualify them for HUD certification.

The bill also provides, as an optional first step after a complaint is filed that, with the consent of both parties, the charge may be referred to the Department of Justice Community Relations Service for binding arbitration.

The Attorney General will continue to be responsible for pattern or practice suits, land use and zoning cases, and cases which pose an issue of general public importance.

In addition to these strengthened administrative enforcement mechanisms, the aggrieved person retains his or her right to file a private lawsuit up until the time an administrative hearing commences.

"Aggrieved person" is defined to include those both directly and indirectly affected. This would include testers and auditors who, as the Supreme Court has recently held, have the same title VIII right as others in the community to receive truthful information about the availability of housing.

The bill also codifies existing case law with respect to the act's coverage of anyone in the real estate chain whose judgments and actions can have the effect of denying housing to certain classes of persons protected by the act.

Besides the current classes protected by the act—race, color, religion, sex, and national origin—the bill adds two others: Handicap and familial status. The handicapped protection extends to those persons with mental or physical impairments and is identical to the existing definition of handicapped in section 504 of the Rehabilitation Act. I would emphasize, however, that this bill does not intend that building owners pay to retrofit the Nation's housing stock for this purpose. Rather, a handicapped person would be expected to bear expenses of modifying an apartment or house.

The Urban Institute estimates that 23.3 million adults between the ages of 18 and 64 are disabled in addition to 2 million persons disabled and institutionalized. The 1980 census tells us that by the year 2000, 32 million Americans will be 65 or older, an increase of 30 percent over 1980. Thus, more Americans are living longer and are more prone to disabilities. By making housing accessible to handicapped persons, we help to avoid the economic and social costs of institutionalization and isolation.

People's Housing of California, an architectural, planning, and research development firm, reports that for an additional $200 per unit, a builder can provide adaptable features to a new apartment building thereby making it suitable for future modifications by handicapped individuals at their own expense.

The other new protected class, "familial status," refers to families with children. This segment of our society increasingly encounters refusals to rent and more subtle discriminatory terms and conditions of rental simply because children are involved. In these times when the family unit, the bedrock of social stability, is being battered by so many external forces, our public policy ought to seek to protect it. Certainly, denial of equal access to housing because of the presence of children should not be countenanced in America. My bill addresses this important group forthrightly and provides them the protection of the law.

Last, my bill requires that, within 6 months of enactment, HUD promulgate rules and regulations to implement congressional intent with respect to this act. This provision is to insure that the mistakes of the past are not repeated. Since enactment of title VIII 15 years ago, no substantive regulations have been promulgated by HUD. Republican and Democratic administrations alike share the blame for this inexplicable and inexcusable failure to implement the law of the land. HUD as the lead enforcement agency under title VIII, as well as all other Federal departments and agencies charged with assisting and regulating the production, financing and delivery of housing and with protecting the civil rights of the housing consumer have an obligation to implement the law.

Mr. President, I ask unanimous consent that the text of my bill and a section-by-section analysis be printed in the RECORD at the conclusion of my remarks.

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

Mr. President. This bill is supported vigorously by the Leadership Conference on Civil Rights, a Coalition of 175 organizations representing blacks, hispanics, Asian-Americans, disabled persons, women, senior citizens, churches, and labor.

Mr. President, I ask unanimous consent that a letter from the Leadership Conference appear at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. MATHIAS. In addition, a bipartisan Citizens' Commission on Civil Rights chaired by Dr. Arthur S. Flemming, former Chairman of the U.S. Commission on Civil Rights, has called for enactment of fair housing legislation with many of the provisions encompassed by this bill. Dr. Flemming has stated, "I am convinced that this fair housing bill, if enacted, will carry out the recommendations of the Citizens' Commission."

In addition this bill is supported by the National Committee Against Discrimination in Housing, chaired by former HUD Secretary Robert C. Weaver. This 33-year-old nonprofit group is affiliated with more than 70 public and private fair housing organizations working at the State and local level to achieve equal housing opportunity. Drawing on the wealth of experience of those local agencies in auditing, testing, counselling, and litigation discrimination complaints, NCDH has encountered the daily real-life problems which this bill addresses.

Mr. President, I ask unanimous consent that a letter from the national committee appear at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. President, housing discrimination has no place in American society. It is unfair, immoral, and against the law. It violates the most basic rights guaranteed to every American by our Constitution.

The late Senator Hubert Humphrey, long a supporter of this bill, focused the issue for us with these words:

> Even if discrimination cost this Nation not 1 penny, we would have the moral obligation to eradicate it.

But, he added:

> We must not close our eyes to the staggering costs we incur each year for our failure to open wide the doors of opportunity for every American.

We cannot rely solely on the good intentions of the private market place, voluntarism, and the New Federalism hand-off to the States, to bring about the reality of true equal access to housing for all Americans.

Government has as much a responsibility to enforce civil rights as it ever did. The extension of the Voting Rights Act in the last Congress reinforced that belief.

I am confident we can prove our commitment to fair housing enforcement by enactment of this bill this session. We must not lose our precious civil rights gains through benign neglect.

I ask my colleagues to join me in cosponsoring this legislation and seeing it through to enactment.

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

S. 1220

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

SHORT TITLE

SECTION 1. This Act may be cited as the "Fair Housing Amendments Act of 1983".

SHORT TITLE FOR 1968 ACT

SEC. 2. The Act entitled "An Act to prescribe penalties for certain acts of violence or intimidation, and for other purposes" (Public Law 90-284, approved April 11, 1968) is amended by inserting immediately after the comma at the end of the enacting clause the following: "That this Act may be cited as the 'Civil Rights Act of 1968'.".

SHORT TITLE FOR TITLE VIII

SEC. 3. Title VIII of the Act entitled "An Act to prescribe penalties for certain acts of violence or intimidation, and for other purposes" (Public Law 90-284, approved April 11, 1968) is amended by inserting immediately after the title's catchline the following new section:

"SHORT TITLE

SEC. 800. This title may be refered to as the 'Fair Housing Act'.".

AMENDMENTS TO DEFINITIONS SECTION

SEC. 4. (a) Section 802(f) of the Act entitled 'An Act to prescribe penalties for certain acts of violence or intimidation, and for other purposes" (Public Law 90-284, approved April 11, 1968) is amended by striking out "section 804, 805, or 806" and inserting "this title" in lieu thereof.

(b) Section 802 of such Act is amended by adding at the end the following:

"(h) 'Handicap' means, with respect to a person—

(1) a physical or mental impairment which substantially limits one or more of such person's major life activities,

(2) a record of having such an impairment, or

(3) being regarded as having such an impairment.

Such term does not include any current alcohol, drug abuse, or any other impairment which would be a direct threat to property or to the safety of others.

"(i) 'Aggrieved person' includes any person who claims to have been injured by a discriminatory housing practice or who believes that he or she will be irrevocably injured by a discriminatory housing practice that is about to occur.

"(j) 'Familial status' means the condition of one or more minors, under the age of 18, being domiciled with (1) their parent, parents or legal guardian, or (2) the designee of the parent, parents or guardian with the written permission of such parent, parents or guardian.

"(k) 'Conciliation' means the resolution of issues raised by a complaint and the investigation of such complaint through informal negotiations involving the aggrieved person, the respondent, and the Secretary.

"(l) 'Conciliation agreement' means a written record, executed by the person aggrieved and the respondent and approved by the Secretary, setting out the terms under which the issues raised by a complaint and its investigation have been resolved.

"(m) 'Respondent' includes the person named in a complaint, or any other person identified in the course of investigation as a person who participated in, or was responsible for, an alleged discriminatory housing practice.".

DISCRIMINATORY HOUSING PRACTICE AMENDMENTS

SEC. 5. (a) The heading of section 804 of the Act entitled "An Act to prescribe penalties for certain acts of violence or intimidation, and for other purposes" (Public Law 90-284, approved April 11, 1968) is amended by adding at the end the following: "AND-OTHER PROHIBITED PRACTICES".

(b) Section 804 of such Act is amended by adding at the end thereof the following:

"(f)(1) To refuse to sell or rent after the making of a bona fide offer, or to refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny, a dwelling to any person because of a handicap of a prospective buyer or renter or of a person or persons associated with such buyer or renter unless such handicap would prevent a prospective dwelling occupant from conforming to such rules, policies, and practices as are permitted by clause (2).

"(2) To discriminate against any person in the terms, conditions, or privileges of sale or rental of a dwelling, or in the provision of services or facilities in connection therewith, because of a handicap. For purposes of this subsection, (A) discrimination shall include: (i) refusal to permit reasonable modifications of premises occupied or to be occupied, by persons with a handicap when such modifications are necessary to afford such handicapped persons access to premises substantially equal to that of nonhandicapped persons, if, with respect to the rental of premises regularly occupied as a landlord's personal residence, such handicapped persons have agreed to return such premises to their original condition if requested to do so by the landlord, or (ii) refusal to make reasonable accommodations in policies, practices, rules, services, or facilities when such accommodations are necessary to afford handicapped persons enjoyment of dwellings substantially equal to that of nonhandicapped persons; but (B) discrimination shall not include (i) refusal to make alterations in premises at the expense of sellers, landlords, owners, brokers, building managers, or persons acting on their behalf, (ii) refusal to make a modification of generally applicable rules, policies, practices, services or facilities where such modification would result in unreasonable inconvenience to other affected persons, or (iii) refusal to allow architectural changes to, or modifications of, dwellings which would materially alter the marketability of a dwelling or the manner in which a dwelling or its environs has been, or is intended to be, used.

"(g) For any employee or agency of a State or local government to take any action, or to deny any privilege, license, or permit, and thereby prevent the establishment of any community residence operated for the purpose of providing residential services or supervision for eight or fewer persons who have a handicap, unless such community residence or its proposed use—

"(1) would not meet an established, applicable Federal, State, or local health, safety, or program standard; or

"(2) violates, or would violate, a comprehensive land use plan or zoning ordinance for the geographical area for which the employee or agency has jurisdiction and such land use plan or zoning ordinance as enforced would permit the establishment of such community residence in other equally suitable locations. The granting or denying of variances in the past shall be deemed a part of such plan or ordinance.

"(h) For a person in the business of insuring against hazards to refuse to enter into, or to discriminate in the terms, conditions, or privileges of a contract of insurance against hazards to a dwelling because of race, color, religion, sex, handicap, familial status, or national origin.".

(c)(1) Subsections (c), (d), and (e) of section 804, and section 806 are each amended by inserting "handicap, familial status," immediately after "sex," each place it appears.

(2) Subsections (a) and (b) of section 804 are each amended by inserting "familial status," after "sex," each place it appears.

(d) Section 805 of such Act is amended to read as follows:

"SEC. 805. It shall be unlawful for any person or other entity whose business includes the making, purchasing, or insuring of loans, or the selling, brokering, or appraising of real property, to deny or otherwise make unavailable a loan or other financial assistance which is for the purpose of purchasing, constructing, improving, repairing, or maintaining a dwelling, or to discriminate in the fixing of the amount, interest rate, duration, or other terms or conditions of such loan or other financial assistance, because of race, color, religion, sex, handicap, familial status, or national origin.".

(e) Section 806 of such Act is amended by inserting "handicap, familial status," after "sex,".

(f) Section 807 of such Act is amended by adding the following: "Nothing in this title shall be construed to defeat the applicability of any reasonable local, State, or Federal restrictions regarding the maximum number of occupants permitted to occupy a dwelling unit. Nor shall any provision in this title regarding familial status apply with respect to dwellings provided under any State or Federal program specifically aimed at assisting elderly persons, as defined in the State or Federal program, nor to dwellings in bona fide retirement communities for older persons or dwellings otherwise intended and operated exclusively for older persons, and equipped with facilities and amenities specifically designed to meet the physical and social needs of such persons.".

FUNCTIONS OF THE SECRETARY

SEC. 6. (a) Section 808(c) of the Act entitled "An Act to prescribe penalties for certain acts of violence or intimidation, and for other purposes" (Public Law 90-284, approved April 11, 1968) is amended—

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

(2) by striking out "hearing, determining, ordering," in the first sentence;

(3) by striking out the second sentence;

(4) by striking out the last sentence; and

(5) by adding at the end the following new paragraph:

"(2)(A) There is hereby established, as an independent agency in the executive branch, the Fair Housing Review Commission (hereinafter referred to as the 'Commission'). The Commission shall be composed of three members who shall be appointed by the President, by and with the advice and consent of the Senate, from among persons who by reason of training, education, or experience are qualified to carry out the functions of the Commission under this title. Not more than two members of the Commission may be members of the same political party. The President shall designate one of the members of the Commission to serve as Chairman.

"(B) The term of office of members of the Commission shall be six years, except that (i) the members of the Commission first taking office shall serve, as designated by the President at the time of appointment, one for a term of two years, one for a term of four years, and one for a term of six years, and (ii) a vacancy caused by the death, resignation, or removal of a member prior to the expiration of the term for

which he was appointed shall be filled only for the remainder of such unexpired term. A member of the Commission may be removed by the President for inefficiency, neglect of duty, or malfeasance in office. A vacancy in the Commission shall not affect its powers and shall be filled in the same manner in which the original appointment was made.

"(C) The Chairman shall be responsible on behalf of the Commission for the administrative operations of the Commission. The principal office of the Commission shall be in the District of Columbia. Whenever the Commission deems that the convenience of the public or of the parties may be promoted or that delay or expense may be minimized, it may hold hearings or conduct other proceedings at any other place.

"(D) The Commission shall appoint such administrative law judges and other employees as it deems necessary to assist in the performance of the Commission's functions and to fix their compensation in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification and General Schedule pay rates. The assignment, removal, and compensation of administrative law judges shall be in accordance with section 3105, 3344, 5372, and 7521 of title 5, and the assignment of administrative law judges to individual cases shall take place on a fair and impartial basis in accordance with a system established by the Commission. The Commission may obtain the services of administrative law judges from other agencies on a reimbursable basis.

"(E) For the purpose of carrying out its functions under this title, two members of the Commission shall constitute a quorum and official action can be taken only on the affirmative vote of at least two members.

"(F) Every official act of the Commission shall be entered of record, and its hearings and records shall be open to the public. The Commission is authorized to make such rules as are necessary for the orderly transaction of its proceedings. Proceedings of the Commission shall be in accordance with chapter 5 of title 5, United States Code.

"(G) Not later than 180 days after a majority of the Commission has taken office, the Commission shall—

"(i) promulgate a code of ethics to assure the independence of administrative law judges employed by the Commission; and

"(ii) promulgate rules of discovery for the orderly conduct of its proceedings consistent insofar as is practicable with the Federal Rules of Civil Procedure.

"(H) For the purpose of considering an appeal from a proposed order of an administrative law judge, the Commission shall establish an appeals panel consisting of two members of the Commission and one administrative law judge who shall not have participated in any way in the issuance of the proposed order. Such appeals panel may approve, reject, or modify, in whole or in part any proposed order under section 811 of this title, or may vacate and remand such order with directions for further proceedings. The Secretary is not authorized to modify any order under section 811 of this title or any decision of an appeals panel.

"(I) Within thirty days after the issuance of a proposed order of an administrative law judge, any party may appeal to the Commission for review of such proposed order. Such order shall not become final until such period of thirty days has expired or an appeals panel of the Commission has acted on such appeal, if applicable.

"(J) Except as otherwise provided in this title, the administrative law judges shall be subject to the laws governing employees in the competitive service, except that appointments shall be made without regard to section 5108 of title 5, United States Code. Each administrative law judge shall receive compensation at a rate not less than that prescribed for GS-16 under section 5332 of such title.

"(K)(i) The Chairman of the Commission shall be compensated at the rate provided for level III of the Executive Schedule under section 5314 of title 5, United States Code.

"(ii) The other members of the Commission shall be compensated at the rate provided for level IV of the Executive Schedule under section 5315 of title 5, United States Code.".

(b) Section 808(d) of the Act entitled "An Act to prescribe penalties for certain acts of violence or intimidation, and for other purposes" (Public Law 90-284, approved April 11, 1968) is amended by—

(1) inserting "(including any Federal agency having regulatory authority over financial institutions)" after "urban development"; and

(2) adding at the end thereof the following: "All participants in such programs and activities, including State, local, or private agencies and persons, shall also carry out their responsibilities in a manner to affirmatively further the purposes of this title.".

(c) Section 808(e) of such Act is amended by—

(1) inserting before the semicolon in paragraph (2) "including an annual report to the Congress specifying the nature and extent of progress made nationally in eliminating discriminatory housing practices and furthering the purposes of this title, obstacles remaining to achieving equal housing opportunity, and recommendations for further legislative or executive action";

(2) inserting "financial and" before "technical" in paragraph (3);

(3) inserting after paragraph (3) a new paragraph to read as follows:

"(4) provide advice and assistance, consistent with the purposes of this title, to any person of lower income, as defined by the Secretary under the United States Housing Act of 1937, upon request, concerning housing assistance for which he or she is eligible and the availability and location of housing within his or her means. The Secretary shall select the most effective methods for providing these services, including establishment of additional offices in appropriate locations and provision of financial and technical assistance to private and public agencies to provide these services in whole or in part;";

(4) redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively;

(5) striking out the period at the end of paragraph (5) and inserting in lieu thereof "; and"; and

(6) adding at the end thereof the following:

"(7) issue such rules, regulations, and procedures, including procedures for the collection, maintenance, and analysis of appropriate data, to carry out the requirements of subsection (d) and paragraph (6) of this subsection."

ENFORCEMENT CHANGES

SEC. 7. The Act entitled "An Act to prescribe penalties for certain acts of violence or intimidation, and for other purposes" (Public Law 90-284, approved April 11, 1968) is amended by striking out sections 810 through 815 and inserting in lieu thereof the following:

"ADMINISTRATIVE ENFORCEMENT; PRELIMINARY MATTERS

"SEC. 810. (a)(1) Whenever an aggrieved person, or the Secretary on the Secretary's own initiative, files a charge alleging a discriminatory housing practice, the Secretary shall serve a notice of the alleged discriminatory housing practice on the party charged (hereinafter in this title referred to as the 'respondent') within ten days after such filing. A respondent may file an answer to such charge within 10 days of receipt of such notice from the Secretary. The Secretary shall make an investigation thereof, and such investigation shall be completed no more than 90 days after the filing of the charge. Upon receipt of such charge, the Secretary shall serve notice upon the aggrieved person acknowledging receipt of the charge and advising the aggrieved person of the time limits and choice of forums provided under this title. At any time after the filing of a charge and until the investigation of such charge has been completed, the Secretary shall attempt, to the extent feasible, to resolve such charge by means of a conciliation agreement. If both the aggrieved person and the respondent consent to binding arbitration, the Secretary shall refer such charge to an arbitrator who shall be made available by the Community Relations Service of the Department of Justice. Nothing said or done in the course of such informal endeavors may be made public or used as evidence in a subsequent proceeding under this title without the written consent of the persons concerned. Any employee of the Secretary who shall make public any information in violation of this provision shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined not more than $1,000 or imprisoned not more than one year. Such charges shall be in writing under oath or affirmation and shall contain such information and be in such form as the Secretary requires. An aggrieved person shall file a charge under this section with the Secretary not later than one year after the alleged discriminatory housing practice occurred or terminated. The Secretary may also investigate housing practices to determine whether charges should be brought under this section. In consultation with other appropriate Federal agencies, the Secretary shall issue new rules and regulations to implement the policies, purposes, and provisions of this title within one hundred and eighty days after the enactment of the Fair Housing Amendments Act of 1983.

"(2)(A) In connection with any investigation of such charge, the Secretary, at reasonable times, shall have access to, and the right to copy, any information that is reasonably necessary for the furtherance of the investigation. The Secretary may issue subpenas to compel such access to or the production of such information, or to compel the appearance of persons, and may issue interrogatories to a respondent to the same extent and subject to the same limitations as would apply if the subpenas or interrogatories were issued or served in aid of a civil action in the United States district court for the district in which the investigation is taking place. The Secretary may administer oaths.

"(B) Upon written application to the Secretary, a respondent shall be entitled to the issuance of a reasonable number of subpenas by and in the name of the Secretary to

the same extent and subject to the same limitations as subpenas issued by the Secretary under subparagraph (A) of this paragraph.

"(C) Witnesses summoned by a subpena of the Secretary under this title shall be entitled to the same witness and mileage fees as witnesses in proceedings in United States district courts.

"(D) The Secretary or other party at whose request a subpena is issued under this title may enforce such subpena in appropriate proceedings in the United States district court for the district in which the person to whom the subpena was addressed resides, was served, or transacts business.

"(E) Any person who willfully fails or neglects to attend and testify or to answer any lawful inquiry or to produce records, documents, or other evidence, if it is in such person's power to do so, in obedience to the subpena or lawful order of the Secretary under this title, shall be fined not more than $1,000 or imprisoned not more than one year, or both. Any person who, with intent thereby to mislead the Secretary, shall make or cause to be made any false entry or statement of fact in any report, account, record, or other document produced pursuant to the Secretary's subpena or other order, or shall willfully neglect or fail to make or cause to be made full, true, and correct entries in such reports, accounts, records, or other documents, or shall willfully mutilate, alter, or by any other means falsify any documentary evidence, shall be fined not more that $1,000 or imprisoned not more than one year, or both.

"(3) Whenever a charge alleges a discriminatory housing practice within the jurisdiction of a State or local public agency which has been certified by the Secretary under this paragraph, the Secretary shall refer such charge to that certified agency before taking any action with respect to such charge. Except with the consent of such certified agency, the Secretary, after that referral is made, shall take no further action with respect to such charge unless the certified agency has not acted in a timely fashion following the date such charge was received or unless the Secretary determines that the certified agency no longer qualifies for certification under this paragraph. No agency may be certified under this paragraph unless the Secretary determines that the substantive rights protected by such agency, the procedures followed by such agency, the remedies available to such agency, and the availability of judicial review of such agency's action, are substantially equivalent to those created by and under this title. Before making such certification, the Secretary shall take into account the current practices and past performance, if any, of such agency.

"(4) The Secretary and other Federal agencies having authority to prevent housing discrimination shall cooperate and seek to avoid duplication of effort in the exercise of their several authority. The Secretary is authorized to enter into agreements to permit such other Federal agencies to carry out the provisions of this paragraph within their respective jurisdictions. Not later than 180 days after the date of enactment of the Fair Housing Amendments Act of 1983, the Secretary shall enter into agreements with the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, the Federal Home Loan Bank Board, and the National Credit Union Administration Board, to carry out this paragraph with respect to depository institutions which are subject to the jurisdiction of such agencies.

"(b) If the Secretary concludes, after a preliminary investigation of a charge, that prompt judicial action is necessary to carry out the purposes of this title, the Secretary may refer the matter to the Attorney General. The Attorney General may bring an action for appropriate temporary or preliminary relief pending final disposition of such charge. Any temporary restraining order or other order granting preliminary or temporary relief shall be issued in accordance with Rule 65 of the Federal Rules of Civil Procedure. It shall be the duty of a court having jurisdiction over proceedings under this paragraph to assign such proceedings for hearing at the earliest practical date and to cause such proceeding to be in every way expedited. An application for relief under this paragraph shall not affect the initiation or continuation of administrative proceedings under this section and section 811 of this title.

"(c)(1) If the Secretary determines, after an investigation under this section, that reasonable cause exists to believe the charge is true, and the Secretary has been unable to obtain a conciliation agreement, the Secretary shall—

"(A) file, on behalf of the aggrieved person filing the charge, a complaint under the procedures provided under section 811 of this title; or

"(B) refer the matter to the Attorney General for the filing of an appropriate civil action under section 813(b) of this title.

"(2) Notwithstanding paragraph (1) of this subsection the Secretary shall refer charges involving the legality or validity of any State or local zoning, or other land use law or ordinance, or any novel issue of law or fact or other complicating factor, as determined by the Secretary, to the Attorney General for appropriate action under section 813(b) of this title.

"(3) After each investigation under this section, the Secretary shall provide to each aggrieved person and each respondent a copy of the report of such investigation.

"ADMINISTRATIVE ENFORCEMENT; HEARING PROCESS

"SEC. 811. (a) Upon filing an administrative complaint, the Secretary shall cause a copy of such complaint to be served on the respondent, together with a notice of opportunity for a hearing on the record at a place and time (not less than thirty days after the service of such complaint) specified in such notice. On the request of the respondent and with the consent of all other parties, a hearing may be rescheduled for a time earlier than the time specified in such notice. Any resolution of a charge or complaint by means of conciliation shall require the consent of the person who filed the charge, and any such resolution following the service of complaint under this subsection shall also require the approval of the Secretary. The repondent shall have the right to file an answer to the administrative complaint, to appear in person or otherwise and give testimony at a hearing on the record, and to obtain a reasonable number of subpenas in the manner set forth in section 810(a)(2)(B). Any aggrieved person shall have the right to intervene in the proceeding, to appear in person or otherwise, to obtain the issuance of a reasonable number of subpenas in the manner set forth in section 819(a)(2)(B) of this title, and to present testimony. After the conclusion of such hearing, the administrative law judge shall make findings of fact and conclusions of law, and may issue an order providing for such relief as may be appropriate (including compensation for all damages suffered by the aggrieved person as a result of the discriminatory housing practice), and may impose a civil penalty of not to exceed $10,000. Any order issued under this subsection is subject to review in accordance with section 808(c) of this title any final order under section 808(c) is subject to review in accordance with subsection (c) of this section.

"(b) The findings of fact and conclusions of law made with respect to a final order issued under subection (a), together with a copy of such order, shall be served on each aggrieved person and each respondent in the proceeding.

"(c) Any petition for judicial review of a final order under subsection (a) shall be filed in the appropriate court of appeals not later than sixty days after the entry of such final order. Such judicial review of a final order shall be in the manner provided under chapter 158 of title 28 of the United States Code. For the purposes of judicial review of such an order, any aggrieved person shall be deemed a party in the administrative proceedings reviewed. The findings of fact shall be conclusive if supported by substantial evidence in the record considered as a whole. No objection not urged at the appropriate state of the administrative hearing process shall be considered by the court unless the failure or neglect to urge such objection should be excused because of extraordinary circumstances.

"(d)(1) Any person who violates a final order under subsection (a) shall be subject to a civil penalty assessed by the administrative law judge of not more than $1,000 for each day during which such violation continues after the date on which such final order becomes unreviewable.

"(2) For the purposes of paragraph (1) of this subsection, a final order becomes unreviewable—

"(A) if a petition for review has not been filed in the appropriate reviewing court, on the day sixty days after the entry of such final order; or

"(B) on the date on which the last appellate court's decision becomes final and not subject to any further appellate proceeding.

"(e) Within thirty days after the issuance of a final order that is unreviewable pursuant to subsection (d)(2) of this section, the Commission shall, in cases involving a violation of any provision of this title by any person licensed by a State agency to conduct business relating to housing and urban development, forward copies of the findings of fact, conclusions of law, and order to the appropriate State licensing agency, with recommendations for appropriate disciplinary action, including suspension or revocation of such license.

"PRIVATE ENFORCEMENT

"SEC. 812. (a)(1) An aggrieved person may commence a civil action in an appropriate United States district court or State court at any time not later than two years after the alleged discriminatory housing practice occurred or terminated.

"(2) After an aggrieved person has commenced a trial on the merits in a civil action under this section, the Secretary may not commence or continue proceedings toward the issuance of a remedial order based on such charge.

"(3) An aggrieved individual shall not commence a civil action under this subsection with respect to a charge made by that

individual to the Secretary if the Secretary (or a State or local agency to which the Secretary refers such charge) has commenced a hearing on the record with respect to such charge.

"(4) Upon timely application the Attorney General may intervene in such civil action if the Attorney General certifies that the case is of general public importance.

"(b) Upon application by an aggrieved person any trial or appellate court may appoint an attorney for such person and may authorize the commencement or continuation of the action without the payment of fees, costs, or security if in the opinion of the court such person is financially unable to bear the costs of such action.

"(c) If, in a civil action under this section, the court finds that an alleged discriminatory housing practice has occurred, is occurring, or is about to occur, the court shall award such relief as may be appropriate. Such relief may include money damages, equitable and declaratory relief, and, punitive damages.

"ENFORCEMENT ROLE OF ATTORNEY GENERAL

"SEC. 813. (a) Whenever the Attorney General has reasonable cause to believe that any person or group of persons is engaged in a pattern or practice of resistance to the full enjoyment of any of the rights granted by this title, or that any group of persons has been denied any of the rights granted by this title and such denial raises an issue of general public importance, the Attorney General may bring a civil action in an appropriate United States district court.

"(b) The Attorney General may bring a civil action in an appropriate United States district court (1) to enforce any final order under this title that is referred for enforcement by the Secretary; (2) to collect any civil penalty assessed under section 811 of this title; and (3) to remedy any discriminatory housing practice (A) with respect to which the Secretary has made a finding that reasonable cause exists under this title and (B) which the Secretary refers to the Attorney General for enforcement under this subsection.

"(c) The court may award such relief in any civil action under this section as is authorized in section 812(c) of this title.

"(d) A person may intervene in any civil action commenced under this section which involves an alleged discriminatory housing practice with respect to which such person is an aggrieved person.

"ANCILLARY AND PROCEDURAL MATTERS RELATING TO ENFORCEMENT

"SEC. 814. (a) In any action or proceeding under this title, the court, in its discretion, may allow a prevailing party (other than the United States with respect to attorney fees) reasonable attorney and expert witness fees as part of the costs, and the United States shall be liable for such costs the same as a private person. Such costs may also be awarded upon the entry of any interlocutory order which determines substantial rights of the parties.

"(b) In any administrative proceeding based on a charge under section 810(a) of this title, any prevailing party (other than the United States with respect to attorney fees) may be awarded reasonable attorney and expert witness fees as a part of a final order under section 811(b) of this title.

"(c) Any court in which a proceeding is instituted under this title shall assign the case for hearing at the earliest practicable date and cause the case to be in every way expedited.

"(d) Any sale, encumbrance, or lease executed before the issuance of any order under this title, and involving a bona fide purchaser, encumbrancer, or tenant without actual notice of the existence of the filing of a complaint or civil action under this title shall not be affected by such court order.

"EFFECT ON OTHER LAWS

"SEC. 815. (a) Nothing in this title shall be construed to invalidate or limit any law of a State or political subdivision of a State, or of any other jurisdiction in which this title shall be effective, that grants, guarantees, or protects the same rights as are granted by this title; but any such law that purports to require or permit any action that would be a discriminatory housing practice under this title shall to that extent be invalid.

"(b) Nothing in this title shall be construed to repeal, supersede or diminish the protection provided to handicapped persons by any other Federal law.".

INTERFERENCE, COERCION, OR INTIMIDATION

SEC. 8. Section 817 of the Act entitled "An Act to prescribe penalties for certain acts of violence or intimidation, and for other purposes" (Public Law 90-284, approved April 11, 1968) is amended by striking out "section 803, 804, 805, or 806." and inserting in lieu thereof "this title.".

CONFORMING AMENDMENT TO TITLE IX OF 1968 CIVIL RIGHTS ACT

SEC. 9. Section 901 of the Act entitled "An Act to prescribe penalties for certain acts of violence or intimidation, and for other purposes" (Public Law 90-284, approved April 11, 1968) is amended by inserting ", handicap (as such term is defined in section 802 of this Act), familial status (as such term is defined in section 802 of this Act)," after "sex" each place it appears.

CONFORMING AMENDMENTS TO TITLE 28, UNITED STATES CODE

SEC. 10. (a) Section 2341(3) of title 28, United States Code, is amended—

(1) by striking out "and" at the end of subparagraph (B);

(2) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof "; and"; and

(3) by inserting at the end thereof the following new subparagraph:

"(D) the Commission, when the order was entered by the Fair Housing Review Commission.".

(b) Section 2342 of such title is amended—

(1) by striking out "and" at the end of paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof "and"; and

(3) by adding immediately after paragraph (5) but before the final sentence, the following:

"(6) all final orders under section 811 of the Fair Housing Act.".

BUDGET AUTHORITY

SEC. 11. This Act and the amendments made by this Act shall not be construed to authorize the enactment of new budget authority for the fiscal year ending September 30, 1983. Effective October 1, 1983, there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act and the amendments made by this Act.

PRINCIPAL PROVISIONS OF THE FAIR HOUSING ACT OF 1983

1. PURPOSE

The bill provides a speedy, fair, and less costly adjudication process in cases where persons allege that they have been denied housing because of discrimination on grounds of race, color, religion, sex, national origin, handicap, or familial status.

2. ADMINISTRATIVE ENFORCEMENT

The bill provides for an administrative hearing process. It uses independent administrative law judges selected by a Presidentially appointed three-member Fair Housing Review Commission.

The complainant has the right to intervene in this hearing. The decision of the administrative law judge may be appealed to the Fair Housing Review Commission. The final order may be appealed in the appropriate federal court of appeals.

Similar types of administrative enforcement procedures are used by 28 other federal agencies and departments.

The Attorney General will continue his responsibility to pursue "pattern or practice" suits, land-use cases, and cases which pose issues of general public importance or novel questions of law.

3. REFERRAL OF CHARGE TO STATE OR LOCAL AGENCY OR ARBITRATOR

Under the bill, administrative enforcement is a last resort. The Secretary of HUD shall first attempt conciliation, or, with the consent of both parties, refer the case to the Justice Department for binding arbitration.

Moreover, the Secretary shall refer any charge to the pertinent State or local agency if that agency has an enforcement mechanism substantially equivalent to that created by this bill. The state or local agency will hear the case. HUD will not be involved. Only if a substantially equivalent state or local agency does not exist will the federal enforcement procedure be invoked.

Aggrieved persons retain their right to pursue a private law suit up until the time an administrative hearing commences.

4. RELIEF

If, after an initial investigation, the Secretary of HUD believes prompt action is necessary to keep the housing unit available until the charge is resolved, then the Secretary may ask the Attorney General to seek a temporary restraining order from the court.

If discrimination is proved, equitable and declaratory relief (including cease and desist orders) as well as compensatory damages may be awarded. Civil penalties of up to $10,000 may also be imposed.

This authority to grant all necessary relief provides the real enforcement power for Title VIII.

Reasonable attorney fees and expert witness fees may also be granted to the prevailing party.

5. AGGRIEVED PERSONS

"Aggrieved person" is defined as those both directly and indirectly affected.

This will include so-called "testers" who, as the Supreme Court has recently held, have the same Title VIII right as others in the community to receive truthful information about the availability of housing.

6. ADDITIONAL PROTECTED CLASSES

In addition to the current Title VIII classes protected from discrimination, the bill adds two others:

(a) "Handicapped persons," as defined in SEC. 504 of the Rehabilitation Act.

This provision includes the requirement that landlords permit reasonable modifications to a unit to make it substantially equal in its access by handicapped persons. The

modifications are subject to the following conditions:

They are not at the expense of the owner.

They do not materially alter the marketability of the dwelling.

They do not cause unreasonable inconvenience to other persons.

(b) "Familial status" is added as a protected class. This will protect families with children from discrimination. However, this protection does not bar exclusion of families with children from governmentally assisted housing for the elderly or retirement communities, nor other reasonable government occupancy restrictions.

7. COVERAGE OF ACTORS IN THE REAL ESTATE CHAIN

Mortgage lenders are prohibited from practicing redlining.

Property insurers, mortgage insurers, real estate appraisers, and mortgage purchasers are explicitly listed as subject to the Fair Housing Act's coverage. This provision codifies existing case law with respect to these agencies and their practices in the real estate chain.

8. IMPLEMENTING RULES AND REGULATIONS

HUD is required to issue rules and regulations to implement this act, to submit an annual report to Congress on progress in eliminating discrimination in housing, and to provide advice and assistance to persons of low and moderate income in need of housing assistance.

SECTION-BY-SECTION ANALYSIS—FAIR HOUSING AMENDMENTS ACT OF 1983

Section 1. Provides that the short title of the Act will be the Fair Housing Amendments Act of 1983.

Section 2. Provides in the law that the short title of the 1968 Act (which is being amended) will be the Civil Rights Act of 1968. This simply establishes in the law itself the short title which is usually used when referring to the 1968 Act.

Section 3. Provides that the short title of Title VIII of the 1968 Act shall be the Fair Housing Act. Again, this simply establishes in the law a title normally used in reference to Title VIII.

Section 4(a). Broadens the definition of "discriminatory housing practice" to include any violation under the Act and not merely those made illegal under sections 804, 805, and 806.

Section 4(b). Provides a definition of "handicap" identical to that used in other federal laws, including the Rehabilitation Act of 1973; of "aggrieved person," thereby clarifying issues of standing in fair housing cases; of "familial status," for the protection of families with children; of "conciliation" and "conciliation agreement" to clarify the meaning of those terms; and of "respondents" to include the person named in the complaint or any other person identified in the course of the investigation.

Section 5(a). Broadens the catchline of sections 804 of the Act by adding "And Other Prohibited Practices" to the end thereof.

Section 5(b). Amends section 804 of the Act to make it unlawful to discriminate against the handicapped in the sale or rental of housing. Reasonable modifications of premises would be required when a handicapped tenant agrees to pay the cost of such changes and the cost of restoring the unit to its original condition at some later date. Required modifications would not include those that result in unreasonable inconvenience to other affected persons or those that would materially change the marketability of the dwelling.

State or local agencies could not deny any license or permit for a residence for eight or fewer handicapped persons that meets applicable health, safety, or program standards unless the residence would violate the community's land use plan that permits such residence in other equally suitable locations.

Discrimination in housing would also be prohibited by those in the business of insuring against hazards.

Section 5 (c) and (e). Includes "familial status" as a protected class under Sections 804 and 806, and includes "handicap" as a protected class regarding those practices prohibited under Section 804 that discriminate in advertising, in representing an intent to sell or rent, or in "blockbusting" actions, and as a protected class under Section 806.

Section 5(d). Amends section 805 of the Act to clarify that discrimination by those whose business includes the making, purchasing, or insuring of loans, and the appraisal of real property is prohibited.

Section 5(f). Amends section 807 of the Act to state that nothing in this title is to be construed to defeat any reasonable local, state, or federal restrictions having to do with the maximum number of individuals permitted to occupy a dwelling unit. Familial status, as used in this title, is not to apply to any state or federal programs aimed at assisting elderly persons or to bona fide retirement communities or housing operated for older persons, equipped with facilities and amenities to meet the physical and social needs of older persons.

Section 6(a). Establishes a Fair Housing Review Commission made up of three members appointed by the President with the advice and consent of the Senate. The Commission would appoint administrative law judges (ALJs) who would conduct hearings on claims of alleged discrimination. All hearings and administrative records would be open to the public. A Commission appeal panel would review appeals of proposed orders of ALJs and could approve, reject, modify, or vacate and remand to the ALJs for further proceedings. The HUD Secretary could not modify any order under section 811 of this title or any decision of the Commission.

Section 6(b). Amends section 808(d) of the Act to make clear the obligation of all participants in HUD programs and activities (including state, local or private agencies or persons) and any federal financial regulatory agency (including the Federal Home Loan Bank Board, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation) to administer their programs and activities in a manner that affirmatively furthers the purposes of this title.

Section 6(c). Amends section 808(e) of the Act to require an annual report to Congress on the progress made in eliminating discriminatory housing practices, obstacles remaining to equal housing opportunity, and recommendations for further legislative or executive action. HUD is further required to give advice and assistance, upon request, to persons of low income, concerning housing assistance for which they are eligible and the availability and location of such housing within their means.

Section 7. Revises the enforcement mechanisms in the Act. Under present law, HUD has only the authority to investigate and conciliate violations. This section would provide authority for ALJs to issue cease and desist orders and order other appropriate relief through administrative proceedings.

A new section 810 provides for the filing of housing discrimination charges with HUD by the Secretary and by aggrieved persons. HUD is authorized to investigate charges and attempt to resolve them through conciliation or, if all parties agree, arbitration. If such efforts fail and there is reasonable cause to believe the charge, the HUD Secretary has several enforcement options: mandatory referral to a state or local agency found by the Secretary to operate under laws substantially equivalent to those in Title VIII; the filing of an administrative complaint under section 811; or referral to the Attorney General for court action. All cases involving the legality of state or local zoning laws, or any novel issue of law or fact or other complicating factor would be referred to the Attorney General.

A new section 811 provides for a hearing before an ALJ following which the ALJ may order appropriate relief, including a cease and desist order, compensation for all damages suffered, and a civil penalty not to exceed $10,000. An appeal of a proposed order can be made to the Fair Housing Review Commission (within 30 days) and of a final order to the appropriate court of appeals (within 60 days).

A new section 812 outlines private judicial enforcement rights. An aggrieved person has two years, rather than the present 180 days, within which to file a civil action to remedy a discriminatory housing practice. However, such a suit may not be filed if the aggrieved person has filed the charge with HUD, and a hearing on the record has commenced by the ALJ or the state or local agency to which HUD has referred the charge.

The court, in cases brought by aggrieved persons, who are financially unable to bear the costs, may appoint an attorney and authorize the commencement of actions without fees. The Attorney General may intervene in such civil actions, where the case involves issues of general public importance.

A new section 813 outlines the enforcement role of ther Attorney General. The Attorney General is authorized to file suit on his own initiative to remedy "pattern or practice" violations, or in cases involving issues of "general public importance." The Attorney General may otherwise bring civil actions to enforce the Secretary's final orders, to collect any civil penalties assessed under section 811, and to remedy discriminatory housing practices when the Secretary has found reasonable cause and referred the matter to the Department of Justice.

A new section 814 provides that attorneys fees may be awarded to prevailing parties in both judicial and administrative proceedings.

A new subsection to section 815 states that nothing in Title VIII shall repeal, supersede, or diminish the protection provided the handicapped under other federal laws.

Section 8. Amends section 817 of the Act by broadening that section to provide a civil remedy for interferences with or intimidations relating to the exercise of rights granted by the title. Present law technically provides such remedies only for violations of sections 803, 804, 805, and 806 of the Act.

Section 9. Title IX of the Civil Rights Act of 1968 is brought into conformance with the 1983 amendments with addition of "handicap" as a protected class.

Section 10. Amends Title 28 of the United States Code to provide for judicial review of the Fair Housing Review Commission in the appropriate court of appeals.

Section 11. Conforms the 1983 amendments to the Congressional Budget Act and authorizes appropriations of necessary funds after October 1, 1983.

LEADERSHIP CONFERENCE
ON CIVIL RIGHTS,
Washington, D.C., May 5, 1983.

Hon. CHARLES McC. MATHIAS, Jr.,
U.S. Senate, Russell Senate Office Building, Washington, D.C.

DEAR SENATOR MATHIAS: The Leadership Conference on Civil Rights, a coalition of 165 national organizations representing Blacks, Hispanics, women, labor, Asian and Native Americans, senior citizens, disabled persons, and churches, strongly supports the introduction of the Fair Housing Amendments Act. This measure is a top legislative priority for the Leadership Conference in the 98th Congress.

Regrettably, the passage of this measure is still very much needed, for many studies document that discrimination in the sale and rental of housing continues to be a serious national problem. One principal reason for the persistence of this discrimination is that the 1968 Fair Housing Act lacks an effective enforcement mechanism. By establishing an administrative hearing process, the Fair Housing Amendments Act would at long last provide a speedy, fair, less costly, and effective adjudication process for resolving housing complaints.

In addition to retaining provisions from previous legislation which would expand fair housing coverage to protect the handicapped, the 1983 measure also prohibits discrimination against families with children. Such discrimination has become widespread, affecting especially racial minorities and families headed by single women. A H.U.D. sponsored study conducted in 1980 showed that 25 percent of all apartment rental units across the country were closed to families with children. In some localities, the discrimination rate went as high as 75 percent, and rates of 50 percent were not uncommon.

The Leadership Conference also applauds the bipartisan congressional coalition supporting the legislation. This is the type of coalition that propelled the 1982 extension of the Voting Rights Act to an overwhelming victory.

The Conference urges the Congress to expeditiously consider and enact the Fair Housing Amendments Act. For this vital legislation will help further our Nation's irrevocable commitment to equality of opportunity for all our citizens.

Sincerely,

RALPH G. NEAS,
Executive Director.
BENJAMIN L. HOOKS,
Chairperson.

NATIONAL COMMITTEE AGAINST
DISCRIMINATION IN HOUSING,
Washington, D.C., April 28, 1983.

Hon. CHARLES McC. MATHIAS, Jr.,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MATHIAS: The National Committee Against Discrimination in Housing offers its full support and that of its more than 70 affiliated public and private fair housing organizations across the country for the legislation you are introducing to amend and strengthen the Federal Fair Housing Act.

As you know, NCDH has been devoting its full efforts and resources to the cause of equal housing opportunity for more than three decades. We were gratified when Congress enacted the 1968 Federal Fair Housing Law, establishing fair housing as firm national policy and as the law of the land.

Over the past 15 years, since the Fair Housing Law was enacted, we and our affiliates have devoted special attention to enforcing that law. We have had first-hand experience demonstating the law's weaknesses and inadequacies that impede greater progress in achieving equal housing opportunity for all Americans. We are convinced that the bill you are introducing will eliminate those weaknesses and inadequacies, and contribute significantly to securing in fact the goals of fair housing.

We fully support the provisions extending protection to handicapped persons and families with children. Studies and investigations have shown that these groups of Americans are subjected to widespread discrimination in their efforts to secure decent housing and are in need of the protection of Federal law.

We also endorse the amendments clarifying certain ambiguities in the Fair Housing Law. These amendments, as you know, do not effect any substantive changes in the existing law, but rather, conform to uniform decisions and interpretations by the Federal courts.

We are especially gratified by the provisions strengthening enforcement of the Fair Housing Law. Our experience has demonstrated that the enforcement mechanisms now available—conciliation of complaints by HUD, "pattern or practice" suits by the Department of Justice, and private litigation—are not sufficient, alone or in combination, to do the job. We are convinced, on the basis of our own experience and the experience of our affiliated fair housing centers, that establishment of an administrative enforcement mechanism, with appropriate judicial review, will add a necessary adjunct to existing enforcement mechanisms that not only will put teeth into the HUD conciliation process, but will also serve to enhance the importance of conciliation as an instrument for successful resolution of housing discrimination complaints.

In short, we believe you and your colleagues in the Senate have crafted superb legislation, deserving of the full support of the Congress.

We enthusiastically endorse the bill and urge its enactment.

Sincerely,

MARTIN E. SLOANE,
Executive Director.

Mr. CRANSTON. Mr. President, I am very pleased to be an original cosponsor of the Fair Housing Amendments Act of 1983. The enactment of a bill of this nature is long overdue. An earlier version of these amendments, S. 506, should have been passed in the waning days of the 96th Congress but, unfortunately, was subjected to a filibuster. Despite the efforts of myself and others, we were not able to break the filibuster and the bill was taken down. I said then—and it is just as true now—this bill is a symbol of justice for many Americans. We must continue the effort to insure equal opportunity for all our citizens. We must be committed to do combat with housing discrimination and its degrading effects. Our antidiscrimination statutes are nothing if they are not armed with strong enforcement procedures. The bill that we are introducing today adds teeth to the Fair Housing Act by strengthening the act's enforcement procedures.

The current fair housing enforcement procedures under title VIII of the Civil Rights Act of 1968 are inadequate. The Secretary of Housing and Urban Development has little authority to enforce the law by administrative action. Presently, he can only help conciliate—with the cooperation of the parties concerned—complaints of discrimination. Not many complaints are ever resolved by this process, and so most aggrieved individuals must seek redress in the courts. But in the courts, the overwhelming cost of civil rights cases and the delay in the hearing of those cases discourage many of those who have a legitimate complaint from pursuing a remedy. A stronger enforcement procedure, such as the proposal contained in the Fair Housing Act Amendments of 1983, would retard discriminatory practices by making it easier to seek and exercise sanctions against violators of the law.

INCREASED ENFORCEMENT PROCEDURES

The proposed act provides for an administrative hearing process as a last resort. Before independent administrative law judges are used, the Secretary of HUD would first attempt conciliation, or, with the consent of both parties, refer the case to the Justice Department for binding arbitration.

The Secretary could also refer any grievances to a State or local agency if that agency has an enforcement mechanism substantially equivalent to the one created by these proposed amendments. The bill also allows individuals to seek redress in the Federal courts if they so choose and allows the Attorney General to bring suit when he has reasonable cause to believe that the rights granted by title VIII are being denied.

Still, the most important enforcement provision contained in this bill is the establishment of a Presidentially appointed three member fair housing Review Commission that will select administrative law judges and review their opinions. The final order of the Commission may be appealed in the appropriate Federal court. Similar procedures are currently being used effectively by 28 other Federal agencies and departments. The promise of Fair Housing means little if victims of discrimination cannot seek adequate redress due to the inherent systematic problems of the current procedures. This bill will insure that minorities, women, handicapped people, and families with children will have access to a judicial system that can protect them from illegal actions.

COVERAGE OF HANDICAPPED PERSONS

Mr. President, I strongly support the proposed expansion of the Fair Housing Act's coverage to protect handicapped persons from certain discriminatory practices in the housing market.

During the past decade, our Nation has made significant strides toward overcoming the attitudinal and physical barriers that have kept many disabled Americans out of the mainstream of our society and deprives them of opportunities that should be each citizen's due.

The chance to live in the community and to have the range of choices of location, cost, and type of housing necessary to make that chance a realistic one can be vitally important. Having these choices can be the key to a disabled person's ability to lead a more productive, self-sustaining life, to enjoy the recreational and social activities that are readily available to others, and to live with or be close to family and friends.

Thus, I believe that enactment of this bill, supplementing the more substantial rights under section 504 of the Rehabilitation Act of 1973 to be free of discrimination in federally assisted housing and other programs, would be of substantial value in helping to make further needed progress toward making ours a land that is truly one of opportunity—and our society a truly open one—for all of our citizens.

HOUSING DISCRIMINATION AGAINST FAMILIES WITH CHILDREN

Mr. President, this legislation contains a provision which would prohibit discrimination against families with children. This provision would not override any reasonable local, State, or Federal restrictions regarding the maximum number of occupants permitted to occupy a dwelling unit, nor would it apply with respect to dwellings established strictly for senior citizens, such as retirement communities. It would prohibit the type of blanket exclusions of families with young children that has substantially limited the housing available to such families.

Mr. President, discrimination in rental housing against families with children is a serious problem. A report issued in 1980 by the Department of Housing and Urban Development, "Measuring Restrictive Rental Practices Affecting Families With Children: A National Survey," found that some 26 percent of the Nation's rental housing units are in buildings which ban families with children. In addition to outright bans on children, the report found other restrictive practices, such as limitations on the age, sex, or number of children. These additional restrictions limit even further the rental units available to families with children. A second report issued by HUD in 1980, "How Restrictive Rental Practices Affect Families With Children," documented the extent to which such rental restrictions affect families with children. That report found that more than half of the survey's respondents who had faced difficulties in finding decent housing had to search for more than 9 weeks for rental housing which would accept children. Many reported having to accept substandard housing because they could not find rentals that would accept children.

Mr. President, a number of States have recently enacted legislation to prohibit discrimination against families with children. Last year, the California Supreme Court in a landmark case declared that such discriminatory policies violated the California Civil Rights Act. In its decision in this case, Marina Point, Ltd. against Wolfson, the California court took note of the extensive nature of the practice of discrimination against families with children in rental housing, and concluded,

A society that sanctions wholesale discrimination against its children in obtaining housing engages in suspect activity. Even the most primitive society fosters the protection of its young; such a society would hardly discriminate against children in their need for shelter.

The provisions of this legislation would extend protection against this type of discrimination to families with children throughout the Nation.

Mr. President, it should also be noted that although the practice of discriminating against families with children is encountered by many families regardless of race or ethnic background, the HUD reports noted that minority families experienced even more serious housing problems than did white families with similar income levels. Some question can be raised as to whether at times no-children policies are used as a smoke screen for racial discrimination. In any event, extending the provisions of the fair housing law to bar discrimination against families with children would clearly be consistent with the overall focus of this law with regard to other types of discriminatory rental practices.

CONCLUSION

Mr. President, stronger enforcement procedures are needed. Testimony before the Senate Judicary Committee in the 96th Congress indicated that housing discrimination is still a widely practiced phenomenon. While discrimination in housing is certainly not limited to racial discrimination, the National Advisory Commission on Federal Disorders—the Kerner Commission—pointed out that although blacks had attained similar incomes, living standards, and cultural levels of their white counterparts, most black families had remained within predominantly black neighborhoods, primarily because they had been excluded from white residential areas. The discrimination in housing that was identified over a decade ago is still prevalent in today's society.

It is time to get serious about fair housing. It is time to stamp out housing discrimination in all its forms against minorities, women, handicapped persons, and families with children. It is time to do the right thing—the moral thing—and provide access to equal housing opportunities for all Americans. This bill rings the chimes freedom. It is with great pride that I join as a cosponsor, and I urge all of my colleagues to do the same.

● Mr. KENNEDY. Mr. President, I am pleased to join with Senator MATHIAS and 35 other Senators in introducing the Fair Housing Act of 1983.

In 1968, Congress enacted legislation to provide equal housing opportunity for all Americans. The Fair Housing Act of 1968 was landmark legislation. Along with the Public Accommodations Act of 1964 and the Voting Rights Act of 1965, it formed the basic Federal protection against racial discrimination.

We knew then, and we know today, that segregated housing goes hand in hand with a segregated society. The Fair Housing Act was essential to this Nation's commitment to root out all aspects of segregation and to advance the cause of equal justice and equal opportunity for every American.

Fifteen years ago we promised equal housing opportunity to all citizens. Fifteen years later that promise is unfulfilled. Today, equal housing opportunity continues to be denied to millions of Americans.

Housing discrimination places an unfair economic and emotional burden upon millions of individuals and families. In a highly mobile society, it limits the mobility of minorities, families with children, and the handicapped. Job opportunity is lost when the head of a household cannot find suitable housing close to a workplace. Families may be separated and children divided among relatives, while a parent searches for decent housing. In countless other ways, housing segregation does immeasureable damage to the values for which this country stands. The widespread patterns of housing segregation that exist throughout America are a highly visible blight on our democracy. This demonstrates that we are not yet one Nation, but still two societies, separate and unequal.

We can change that. Through the enforcement mechanisms of the legislation we are introducing today, we can redeem the promise of the 1968 act and reduce segregation in housing.

We must not accept arbitrary and irrational restrictions on places where Americans may live. The pressures generated by such restrictions breed ghettos that create despair and that

condemn too many Americans to lives of second-class citizenship.

Housing discrimination feeds a vicious cycle. By restricting the dwellings and communities available to minorities, it forces them into ghettos of inadequate housing. In turn, this offense against human dignity is misused to perpetuate the myth that the minority victims are somehow responsible for their plight. This is not only unjust; it fuels the fears that breed more housing discrimination. This cycle of segregation must be broken—and it can be broken by effective and consistent enforcement of the law.

In these harsh economic times, the burden of overpriced or inadequate housing falls most heavily on those least able to afford it. Today, three out of every four black and Hispanic Americans will be victims of discrimination when they seek rental housing.

A recent analysis by the Citizens Commission on Civil Rights reveals that segregation has declined only slightly in the past decade. The Commission concluded that the present fair housing law has been tragically ineffective for a generation of home buyers. This bipartisan group of 15 distinguished Americans was headed by Dr. Arthur Flemming, a member of President Eisenhower's Cabinet and former Chairman of the Civil Rights Commission.

Its members include former Attorney General Elliot Richardson; the Reverend Theodore Hesburgh, also a former Chairman of the Civil Rights Commission; former Federal judge and Deputy Attorney General Harold Tyler; former Solicitor General and dean of Harvard Law School Erwin Griswold; former Secretary of Labor Ray Marshall; and former Senator Birch Bayh.

The Commission also was clear in its strong criticism of the present administration's failure to provide adequate enforcement of the Nation's fair housing laws.

The fundamental flaw in present law is that it confers a right without a remedy. Those who suffer discrimination have little hope for relief. Under current law, victims of discrimination in the sale or rental of housing have two courses of action: They can file a private suit in Federal district court; or they can ask HUD to attempt a conciliation procedure. But neither remedy is effective.

Filing a private suit means long delays and high costs—in most metropolitan areas, it takes more than 2 years for such cases to come to trial. Conciliation is equally futile. Since HUD cannot sue them, parties who have discriminated have no incentive to settle. HUD has no authority to require the parties to conciliate, and it has no power to enforce any final agreement. Of the 5,000 complaints that HUD receives each year, the Department resolves only 6 percent. The absence of any effective and accessible remedy for housing discrimination means that large numbers of individuals and their families are denied the housing of their choice.

This legislation is designed to remedy this injustice by providing a realistic and workable enforcement mechanism for existing law. Under its procedures, black and Hispanic Americans will at last have a remedy capable of making their right to fair housing a reality.

This legislation is essentially the same bill approved by the Senate Judiciary Committee in 1980. The bill's basic provisions deal with enforcement of the law. It provides speedy hearings before administrative law judges who are expert in fair housing law. Complaints can be pursued by the Government on behalf of the victim; cases can be resolved sooner and at lower cost than through the courts.

At the same time, the bill incorporates the special safeguard of an independent Fair Housing Review Commission. This Presidential Commission will appoint the administrative law judges and an Appellate Review Board. It will thereby insulate the hearing process from undue influence by the Secretary of HUD or by the enforcement arm of HUD, which will initiate proceedings in cases of alleged discrimination.

The standard of proof necessary to establish illegal discrimination will remain the same as current case law.

In the final days of the 97th Congress, a bipartisan coalition almost succeeded in passing this important legislation. A similar bill passed overwhelmingly in the House of Representatives. The need for a more effective remedy for the right to fair housing was recognized by a bipartisan majority of the Senate. But time ran out, and the Congress ended before action could be completed.

Today the time is right for a new effort to enact effective fair housing legislation—and this time we must succeed.

Our bill also contains new protections for two important groups—families with children, and handicapped persons. We know that restrictions against children are often used as a subterfuge for segregation in housing. All too frequently today, such restrictions are invoked against blacks or Hispanics, but not against whites. Discrimination against families with children is a major factor in the number of children living in substandard housing—today, 13 percent of all children are inadequately housed, but for black and Hispanic children, the figure is 24 percent.

When families with children seek housing today, they find that 26 percent of the rental units exclude children. Another 50 percent have restrictions on the age, sex, and number of children that may reside in an apartment of a particular size. As a result, families with children often find that three-quarters of apartments are off limits to them.

The impact of this discrimination falls most heavily on families headed by women. They have less income than families headed by men or two-parent households. Their need to be close to the job, schools, day care, and social services is greater. They can least afford time-consuming searches for adequate housing or the stress of inadequate housing.

Black women heads of households are particularly vulnerable to housing discrimination. Only one out of four families headed by black women reside outside this country's central cities. These families suffer the dual impact of discrimination based on race and familial status.

Nine States have passed legislation prohibiting discrimination against families with children in rental housing. Any meaningful Federal fair housing measure must extend protection to families with children everywhere in America.

Housing for senior citizens, retirement communities, and local government occupancy restrictions are exempt from the provisions with respect to families.

Handicapped Americans will also benefit from this legislation. Since 1970, it has been national policy to provide access for handicapped persons to all public and commercial facilities. The rights of handicapped persons have advanced over the past decade—but housing has been a constant roadblock.

Small group homes often provide the most effective means of housing for the handicapped, so that they can receive the special care they need. This legislation eliminates arbitrary restrictions on such homes. In addition, handicapped tenants will be allowed to make minor alterations in their residences at their own expense. These measures will promote self-sufficiency and independent living for handicapped Americans.

Fifteen years have passed, and yet the 1968 Fair Housing Act remains a noble promise unfulfilled. Year after year, blatant discrimination mocks the law. Segregation in housing helps to sustain segregation in every other aspect of society. It means ghettos for children, for the handicapped, for blacks, and Hispanics. We must open the doors of equal housing opportunity for all. We can no longer be content with a law which pays lip service to fair housing but denies the remedies that alone can give meaning to the right.

I hope that Congress will give this measure the full support which it de-

serves—and which conscience and history demand. It is time for America to take the next great step for civil rights and equal justice under law.●

● Mr. METZENBAUM. Mr. President, I am pleased to join as a cosponsor of the Fair Housing Amendments Act of 1983. Fair and open housing markets are the essence of a truly just society. We as a free people simply cannot afford to countenance practices that systematically deprive some of our citizens of the full promise of American life. The need for effective laws to deter—and eliminate—such discriminatory practices cannot be denied.

But frankly, Mr. President, there's something equally as important at stake here as assuring every American citizen—man, woman, and child—the right to a free choice of where to live. At stake here also is the question of whether we are going to honor a commitment we made 15 years ago to eliminate unlawful housing discrimination. As part of the 1968 Civil Rights Act, we promised to eliminate the blight of housing discrimination from American life, but we did not provide the enforcement tools necessary to accomplish that end. Unless we act now to provide the necessary enforcement remedies, we will be serving notice to the people of this country that we intend for the 1968 act to remain an empty promise. We will serve notice that discrimination may continue unabated—just as it has in the 15 years since enactment of the original fair housing legislation.

Mr. President, the bill we are introducing today does provide the effective remedies we need. It establishes a streamlined administrative procedure within the Department of Housing and Urban Development to process individuals' complaints of housing discrimination. Administrative law judges experienced in fair housing issues would be available to aggrieved persons. Cases would be heard by specialists in the field rather than by judges dealing with a multitude of different topics. Time-consuming and expensive court cases would be replaced by simple and straightforward administrative hearings. And HUD would have the authority to resolve the complaints before it.

Mr. President, this bill makes no dramatic changes in the substance of fair housing law. It doesn't change the legal requirements for the showing necessary to establish a fair housing violation. It simply puts some teeth into a commitment we made 15 years ago to insure all Americans the right to choose where they want to live. Mr. President, we have an obligation to fulfill that commitment. I urge my colleagues to join in helping to insure prompt passage of this long-overdue message.●

● Mr. MOYNIHAN. Mr. President, I rise today to join with my distinguished colleague from Massachusetts, Senator KENNEDY, and my distinguished colleague from Maryland, Senator MATHIAS, in introducing the Fair Housing Amendments Act of 1983. This legislation is intended to give, at long last, full effect to the 1968 Fair Housing Act—title VIII of the Civil Rights Act of 1968—strengthening the act's administrative enforcement provisions; expanding its coverage to protect the handicapped, and families with children, from discriminatory practice; and requiring compliance from all persons involved in the housing sector.

The history of fair housing legislation in this country has been one of failed commitment. Fifteen years ago, in 1968, landmark legislation was enacted to ban discrimination on the basis of race, color, religion, sex, or national origin in the sale or rental of housing. Passage of this measure was indeed a significant advance for civil rights advocates. Regrettably, however, no rules or regulation were ever promulgated to implement the law. Likewise, repeated efforts to improve the law through amendments have continually been rebuffed. The initial act of Congress to insure each American the right to his or her choice of housing was laudable; that nothing has since been done to carry out the civil rights protections embodied in the original Fair Housing Act is a national disgrace.

The bill we offer today gives new life to the promises contained in the 1968 Fair Housing Act. No substantive changes are made in the current law—the same standard of proof is required as evidence of illegal discrimination. Rather, our legislation provides an effective enforcement mechanism for adjudicating housing discrimination cases more quickly, fairly and at less cost. Presently, a complainant has only two courses of action; he may initiate a private law suit or request HUD to attempt conciliation. The first option places an onerous financial burden on victims of discrimination, while the second alternative has minimal effect since HUD has no authority to make adverse parties enter conciliation or comply with a final agreement. Our legislation provides a third option: a hearing before an administrative law judge with review by a three-member Fair Housing Review Commission appointed by the President. In many respects, our bill is quite similar to legislation (S. 506) reported out of the Senate Judiciary Committee in the 96th Congress, of which I was also a cosponsor.

The measure we introduce would also bring the handicapped, and families with children, under the provisions of the current fair housing law. In doing so, we seek to extend protection to two groups who traditionally have encountered serious obstacles when attempting to find housing accommodations. Other provisions of the legislation further improve the present law: Prohibiting mortgage lenders from practicing redlining; making property insurers, mortgage insurers, real estate appraisers, and mortgage purchasers subject to the Fair Housing Act's coverage; and permitting equitable and declaratory relief, as well as awards for compensatory damages. These proposed changes are vital and deserving of support.

One would hope that additional fair housing legislation is no longer necessary; that this expectation has yet to be realized underscores the continuing need for efforts to eliminate, once and for all, discriminatory housing practices. Recent studies by the U.S. Commission on Civil Rights, HUD, and private fair housing groups have documented ongoing discrimination in a wide range of sales and rental markets. The problem confronting us is clear, and demands our immediate attention.●

Mr. DOLE. Mr. President, I would like to commend my distinguised colleagues, Senators MATHIAS and KENNEDY, for taking this important step forward in finally fulfilling the promise we made 15 years ago when we passed the Fair Housing Act of 1968.

Passed in the wake of the tragic shooting death of Martin Luther King, the fair housing law represented the final major building block of the landmark civil rights legislation passed in the sixties—legislation which gave long overdue promises of equal opportunity in education, employment, public accommodations and voting.

The promise of this final measure was to provide for fair housing throughout the Nation. Unfortunately, the Congress failed to include in the law an enforcement mechanism which was adequate to fulfill that promise.

A PROMISE UNFULFILLED

Specifically, while the law charges the Secretary of HUD with primary responsibility to enforce the law, it empowers HUD only to investigate complaints and seek "conciliation." HUD does not have the power to require the parties to conciliate, and even if they do, and an agreement is reached, HUD has no power to enforce the agreement.

The Department of Justice has authority to bring suit, but only where a "pattern or practice" of discrimination can be shown. Thus, the burden of redressing instances of discrimination against individuals falls upon the victims themselves, through private causes of action. But to most victims, this avenue of enforcement is meaningless because they lack adequate financial resources to pursue Federal court litigation.

Every administration has spoken to the need to strengthen the law's enforcement. As Carla Hills, President Ford's HUD Secretary candidly put it, "The present law, in relying on conciliation, is an invitation to intransigence."

The consequence of the law's impotence has been that housing discrimination against minorities and women continues to be persistent and pervasive. And despite it's known lack of an effective enforcement tool, HUD continues to receive thousands of complaints a year, only a fraction of which it is able to successfully conciliate.

IT IS TIME TO ACT

I will not belabor the law's inadequacies. They have been belabored for the past 15 years. The need to strengthen the law is clear. The time to act is now.

Though there may be a wide range of views as to how the enforcement mechanism should be structured, in light of continued widespread noncompliance, it must be a strong enforcement mechanism to give true meaning to the law's antidiscrimination mandate. Symbolic gestures will not be enough. In addition, it should be designed to provide for prompt resolution of fair housing complaints, insofar as the victims of discrimination may be denied adequate housing during the pendency of the suit.

Under the approach contained in this bill, HUD could initiate suits on behalf of housing discrimination victims before administrative law judges, placed under a Presidentially appointed Fair Housing Review Commission.

In addition to the strengthened enforcement mechanism, the bill contains a number of other important improvements in existing law. One of these improvements which is of particular importance to me, is extending the protections of the act to the handicapped. For many years, it has been the well-defined policy of this Nation to bring the handicapped into the mainstream of American life. Opening the doors of the housing market to our disabled citizens constitutes a crucial link in carrying out that policy.

CONCLUSION

In concluding, I have some real concerns about the structure of the enforcement mechanism included in the Mathias-Kennedy bill and for that reason, have decided not to be a cosponsor. There are changes and alternative approaches which I am considering and wish to more fully explore. Again, I commend Senators MATHIAS and KENNEDY for moving forward with this important legislation and to reaffirm my commitment to working with them and others for a strengthened fair housing law this year.

● Mr. LAUTENBERG. Mr. President, the United States stands for a number of principles which have distinguished our country from many others throughout its history. Among the most important of these principles is an absolute commitment to equal rights under the law. To me this means that discrimination against a person because of their race, religion, color, sex, or national origin is abhorrent. Protection against discrimination has been embodied in our civil rights laws. In these laws, Congress has declared it illegal to discriminate against people in several fundamental aspects of life. One of these laws is the Fair Housing Act of 1968, which assures equal access to housing.

Although this principle is fundamental and has been protected by law for 15 years, the undeniable fact is that it has been difficult, in many cases, to enforce the law. Many minority group still report continuing and serious problems with discrimination. Experience has shown that the fair housing provisions of the Civil Rights Act of 1968 are not being respected and lack an adequate method for enforcement.

Mr. President, I regret that in 1983, with the progress that has been made in providing equality for all our citizens, we still encounter noncompliance with civil rights laws. But the facts are clear. Problems of housing discrimination still exist and the enforcement mechanisms in the Civil Rights Act are deficient.

To correct the long-standing difficulty in enforcing the Fair Housing Act, I am today joining with a group of my colleagues, led by Senators KENNEDY and MATHIAS, in sponsoring the 1983 Fair Housing Act Amendments.

Under current procedures, a person who believes he or she has been the victim of housing discrimination can either file a private law suit in Federal district court or request the Department of Housing and Urban Development (HUD) to attempt conciliation between the parties. Lawsuits are costly and slow. The conciliation process is weak because HUD cannot require both sides to participate and it cannot enforce any agreement. A stronger enforcement mechanism is needed if the law is to be effective. Citizens seeking to rent or buy homes must be assured of their right to fair treatment regardless of their race or other group charactistics.

The bill we are introducing today provides a new adjudication process for cases in which a person believes he or she has been denied housing because of discrimination. The bill provides for an administrative hearing process, using independent administrative law judges (ALJ's). The ALJ's will be appointed by a new Fair Housing Review Commission established by the bill. The ALJ hearing process will only be used after an attempt at conciliation has been made at HUD or binding arbitration procedures have been conducted by the Department of Justice. HUD will not be involved at all if a State or local government has its own enforcement mechanism which is certified to be substantially the same as HUD's. Discrimination charges made in jurisdictions that have HUD-certified enforcement will be handled by a State or local government agency.

The Fair Housing Act currently prohibits discrimination on the basis of race, color, religion, sex, or national origin. This bill adds handicapped persons and families with children to the classes which are protected from housing discrimination. Certain reasonable exemptions are allowed in cases where it is necessary.

Just as Congress reaffirmed its commitment to voting rights for all citizens last year by extending the Voting Rights Act, I believe that this year Congress must show its commitment to fair housing by amending the Civil Rights Act to establish an effective enforcement procedure in housing discrimination cases.

Mr. President, this country needs to give more than lipservice to its principles. The strength of this country is in its promise of equal opportunity for all. Surely the right of equal access to housing is part of that promise. Congress can help to make that promise come true by putting teeth into the Fair Housing Act. I am proud to cosponsor this important bill and look forward to early hearings and consideration by the Senate.●

● Mr. GLENN. Mr. President, I am pleased to announce my support for an important measure being introduced today—the Fair Housing Amendments Act of 1983. As an original cosponsor of the legislation and a consistent supporter of fair housing proposals in the past, I believe this bill will put teeth in our laws by providing a strong administrative enforcement mechanism to combat racism and discrimination in housing.

Building on the 1968 Civil Rights Act, this legislation recognizes that no American should be denied a home simply because of his or her color, sex, religion, or national origin. As a free society, we cannot allow housing discrimination if we are ever to achieve our goal of equal treatment under the law for all Americans. Although well-intentioned, the 1968 law, specifically title VIII, does not extend adequate enforcement power to insure fair housing.

The law now permits two courses of action. One is weak and ineffective. The Department of Housing and Urban Development can only urge parties to a housing discrimination dispute to conciliate. The process is voluntary and either party can refuse to participate. When that happens, HUD's enforcement authority is neutralized. The agency is blocked. Not

surprisingly, then, only 6 percent of the cases are conciliated.

Litigation is a second course of action, but that step, too, is often impractical and ineffective. Litigants find it costly and time-consuming to go to Federal district court, and delays of up to 2 years are not uncommon. Once in court, there is no guarantee of success.

The results are unfortunate. Too many Americans continue to suffer the humiliation of discrimination as they search for a suitable place to live. This is not mere speculation. A HUD-financed survey, for example, found that blacks encounter discrimination 75 percent of the time when attempting to rent housing and 62 percent of the time when attempting to buy housing. Congress cannot pass any bill that will persuade all people to relinquish their racist attitudes, but we must act to guarantee equal access to housing. The statistics reported by HUD are too disturbing to allow inaction on our part.

In a major change from current law, the legislation introduced today provides for a prompt hearing by an independent administrative law judge empowered to award "appropriate relief" including compensatory damages and a civil penalty of up to $10,000. In addition, any person found to have violated a final administrative order would be subject to a civil penalty of up to $1,000 for each day a violation continued.

These new powers established the much-needed "legal teeth" to make HUD administrative enforcement an effective and vital part of the fair housing law. This power, however, represents only a remedy of last resort. It would not preclude private action in the Federal district court as allowed under current law.

Let me very briefly explain how a complaint would be handled if this legislation is approved. The alleged victim of discrimination would be required to present a grievance within 1 year after the incident occurs. State and local agencies certified by HUD would consider the cases, unless no such agency exists in the locality. In these instances, HUD first would attempt to conciliate or, if both parties agree, it would refer the matter to the U.S. Justice Department for binding arbitration. If these approaches fail to bring a solution, HUD could file an administrative complaint or send the case to the U.S. Attorney General to file a civil action in Federal district court.

A three-member Fair Housing Review Commission would sit at the apex of this system. The Commissioners, appointed by the President with the advice and consent of the Senate, would establish rules and procedures for administrative hearings and create a process to choose the administrative law judges. The Commission would be authorized to review decisions by the administrative law judges. Any final decisions rendered by these judges could be appealed to the appropriate court of appeals. The Commission would also submit an annual report to Congress describing the extent of housing discrimination in the country.

Individuals who believe they have been treated illegally in the housing market could also seek private enforcement of their discrimination complaint. Such actions must be filed in the appropriate Federal district court within 2 years from the time of the alleged incident, but they could not be filed after an administrative hearing has begun. Similarly, HUD would be barred from taking administrative action once a trial on its merits has commenced.

The proposal would expand the guarantee of fair housing to cover the handicapped and families with children. I am aware that families with children sometimes encounter more difficulty than others in finding housing, even though I am not sure that "familial status" should be a basis for discrimination. Accordingly, I will defer to the judgment of members of the Senate Judiciary Committee in deciding if the legislation should incorporate family status. Perhaps the committee members will conclude that some other action, rather than new Federal law, is the answer to the problem; for example, better counseling for families seeking housing.

The proposal introduced today is important in another respect. It would extend coverage of fair housing laws to virtually every segment of the housing market chain, including appraisers, brokers, lenders, and sellers. The bill would also permit the use of "testers" to find and expose housing discrimination.

Mr. President, many difficult issues will surface as the Senate considers this legislation—issues, for example, concerning coverage, standards of proof, methods of enforcement, and more. These matters must be debated fully and fairly by this body. They deserve our closest attention because they touch the lives of so many millions of Americans. However, we must resist efforts to destroy the intent behind this measure and that is to protect the right of fair treatment in our society.

Our goal today is fair housing, but our long-range hope must be for decent housing for everyone. To those who would frustrate our search for an end to housing discrimination, we must send an unequivocal message in this legislation.

To that purpose, I hope that many of my Senate colleagues will join me in cosponsoring this bill. With swift and decisive action in both the Senate and House, we can take a giant step toward giving meaning to our Nation's pledge for equal treatment for all Americans.●

By Mr. HATCH:

S. 1221. A bill to amend the Internal Revenue Code of 1954 to encourage the donation of volunteer services to charitable organizations by allowing a deduction for the costs incident to such services; to the Committee on Finance.

DONATION TO VOLUTEER SERVICES

● Mr. HATCH. Mr. President, I am introducing a bill today to encourage the donation of volunteer services to charity. The bill provides that the costs incident to services benefiting charitable organizations are deductible to the same extent as contributions made directly to such organizations.

Mr. President, public charities are heavily dependent upon volunteer and donated services to accomplish their charitable purposes. Congress has always encouraged volunteer services by permitting the deductibility of unreimbursed out-of-pocket expenses incident to such services. In general, the Internal Revenue Service has recognized the intent of Congress in this area. However, recent court cases clearly show that the Internal Revenue Service is failing to follow the intent of Congress is two ways.

First, the regulations provide that out-of-pocket expenses incident to the rendition of services may constitute a charitable deduction. This permissive language has allowed the Internal Revenue Service to inconsistently apply the law with respect to payments incident to the rendition of volunteer services. In particular, analysis of the court cases show that the Internal Revenue Service is particularly prone to disallow at least part of the out-of-pocket expenses incident to the rendition of services to charity if other family members are involved in the services. For example, in one case the taxpayer claimed a charitable contribution education for expenditures he made as an unpaid special assistant to the attorney general for the State of Kansas in connection with an effective antinarcotic campaign. The Commissioner argued that the deduction should be disallowed because the taxpayer was partly motivated by a desire to avenge two of his children whose lives were destroyed by drugs. Further, the Commissioner even claimed that to be deductible donations must essentially be paid directly to the charity so that the charity can divert the donation to other uses.

The court correctly rejected these arguments and observed that it has long been held that the nature of the services and not the motivation of the taxpayer controls the deductibility of the payments. This observation agrees with the Treasury regulation which

allows normally personal expenditures to be deductible when made incident to the rendition of charitable services.

Considering the clear intent of Congress to encourage charitable giving, and the long history of regulations and case law, it is unfortunate that the Internal Revenue Service should ever have forced this taxpayer to court in order to obtain his charitable contribution deduction.

If charities are to undertake an increased load as a result of the public demand for decrease in Federal spending, they need all the volunteer assistance they can get. Taxpayers should be encouraged to make charitable service a family affair, both to increase the amount of services available to charity and to help preserve and encourage the family unit. It is contrary to important public policy for the Internal Revenue Service to continue denying charitable contribution deductions when family services are involved, or when family considerations give taxpayers' a substantial motivation to render charitable services.

The second failure of the Internal Revenue Service to follow congressional intent is its narrow treatment of those expenditures which it admits are deductible under the regulations. When the limit on the amount of charitable contributions which could be deducted from income in any given year was raised in 1954, Congress felt that the increased limit and the 5-year carryover of unused contributions should be available only for donations which immediately benefit a charity. Congress never intended to restrict the deductibility of expenses incident to services which were immediately available to the charity. Nevertheless, the Internal Revenue Service has recently announced that it intends to restrict the deductibility of unreimbursed expenses to provide services even though a U.S. circuit court of appeals has ruled that such expenses are not subject to the more narrow limitations. Again, it is improper for the Internal Revenue Service, despite the clear decisions of the courts to continue to discourage volunteer services by forcing certain taxpayers to either reduce or forego the deductibility of their costs in providing services to charity.

The bill which is being introduced today will end this abuse by providing, mostly in the language within the Service's own regulation, that unreimbursed out-of-pocket expenses incident to the rendition of services to charity are deductible without regard to the relationship between the taxpayer and the person rendering the services, and that such expenses qualify for the more favorable deductibility limits to the same extent as cash contributions.

Although this bill merely codifies existing court decisions, it will have an important effect on the charitable community by showing that Congress continues to support charity and will not tolerate the tax collector's discrimination against those paying for charitable services. Fairness demands that those willing to sacrifice time and resources to serve charity should be assured of the deductability of their expenses.

Mr. President, I ask unanimous consent that the bill be printed following my remarks.

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

S. 1221

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 170 of the Internal Revenue Code of 1954 (relating to charitable, etc., contributions and gifts) is amended by redesignating subsections (j) and (k) as subsections (k) and (l), respectively, and by inserting after subsection (i) the following new subsection:

"(j) AMOUNTS PAID OR INCURRED FOR EXPENDITURES INCIDENT TO PERFORMANCE OF SERVICE.—

"(1) IN GENERAL.—For purposes of subsection (c), if any person pays or incurs expenditures which are incident to the performance of qualified services (whether or not such person performed such services) in connection with any organization described in subsection (c), such person shall be treated as having made a contribution to such organization in the amount of such expenditures.

"(2) QUALIFIED SERVICES.—For purposes of this subsection, the term 'qualified services' means services which are related to the purposes or functions constituting the basis for the exemption under section 501 of the organization described in subsection (c).".

(b) The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1979, with respect to amounts paid or incurred after such date.

(c) If the filing of a claim for credit or refund relating to an overpayment attributable to the amendment made by subsection (a) would be prevented by any law or rule of law, then such filing may be made within one year of the enactment of this Act.●

By Mr. BAUCUS:

S. 1222. A bill for the relief of Charles V. Waldron, to Committee on the Judiciary.

CHARLES V. WALDRON

● Mr. BAUCUS. Mr. President, in both of the last two Congresses, I have introduced bills for the relief of Charles V. Waldron of Montana. Mr. Waldron has been trying for a number of years to collect retirement and severance pay owed to him by the U.S. Navy. His claim, however, has been rejected by the Claims Division of the General Accounting Office because it was received more than 6 years after it first accrued. The bill I am introducing again today would authorize the Secretary of the Navy to accept and consider Mr. Waldron's claim, and pay him any amount of disability retired pay and any amount of severance pay he would have received had he made a timely claim.

Mr. Waldron, a chief petty officer in the U.S. Navy, was given a temporary disability retirement from the Navy in 1963 under honorable conditions because, during the course of his service in the Navy, he incurred bilateral hearing loss and a nervous condition. Subsequent to his temporary disability retirement, Mr. Waldron moved around the country looking for work, and had no contact with the Navy until 1978 when he learned, through the Veterans' Administration, that he had been granted an honorable discharge on August 30, 1968. At the time of his honorable discharge, and until April 1978, Mr. Waldron was unaware that he was entitled to receive disability compensation.

In 1978, Mr. Waldron visited the VA center in Fort Harrison, Mont., to see if the VA would pay for a new hearing aid. As a result of his visit to the VA hospital, Mr. Waldron learned for the first time that he was entitled to receive service-connected disability benefits for his bilateral hearing loss. He also discovered that he was entitled to receive retirement pay as well as severance pay. The VA advised Mr. Waldron to contact the Navy Finance Center in Cleveland, Ohio, to file his back claim.

Having learned that he was entitled to these benefits, Mr. Waldron wrote to the Cleveland Navy Finance Center on July 29, 1978, requesting the severance and retired pay due to him. The Navy forwarded the claim to the Claims Division of the General Accounting Office classifying it as "doubtful" because of the period of time that had elapsed since the claim first accrued. On December 14, 1978, Mr. Waldron was informed by GAO that his claim was barred by the 6-year statute of limitations. Mr. Waldron then appealed the decision of the Claims Division. Upon review, the rejection of his claim was sustained by the Comptroller General on May 16, 1980.

Mr. President, I believe that notwithstanding the statute of limitations, Mr. Waldron's situation warrants a humanitarian response. It is undisputed that Mr. Waldron had to retire from the Navy because of physical disability. Moreover, he only learned in 1978 that he had been granted an honorable discharge from the Navy in August of 1968. And, it was not until some time later in 1978 that Mr. Waldron discovered that he was entitled to receive disability retirement pay and back severance pay from the Navy. Under these circumstances, it is not surprising that the 6-year statute of limitations had run. With these facts in mind, I urge my colleagues to give full consideration to Mr. Waldron's case and the legislation that would provide him with the mili-

tary service benefits he is entitled to receive.

I ask unanimous consent that a copy of the bill be reprinted in full in the RECORD at this point.

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

S. 1222

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the provisions of the Act entitled "An Act providing for the barring of claims against the United States", approved October 9, 1940 (31 U.S.C. 71a), the Secretary of the Navy is authorized and directed to—

(1) accept and consider any claims filed with the Secretary within one year after the date of enactment of this Act by Charles V. Waldron of Deer Lodge, Montana, for disability retired pay for the period beginning on June 1, 1964, and ending on September 30, 1968, and for severance pay under section 1203 of title, United States Code; and

(2) pay to the said Charles V. Waldron any amount of disability retired pay which the said Charles V. Waldron would have been entitled to receive for the period referred to in clause (1) had the Secretary known the address of the said Charles V. Waldron during such period, and any amount of severance pay which the said Charles V. Waldron would have been entitled to receive had he made timely application therefor.

SEC. 2. The Secretary of the Navy is authorized to pay any amount determined by him to be payable under the first section out of funds available for the payment of retired or severance pay, as the case may be. Such payment shall be made in a lump sum within 60 days after the determination that an amount is payable under such section.●

By Mr. NICKLES (for himself, Mr. BOREN, and Mr. DENTON):

S. 1224. A bill to provide for the disposition of certain undistributed judgment funds awarded the Creek Nation; to the Select Committee on Indian Affairs.

CREEK NATION JUDGMENT FUNDS

● Mr. NICKLES. Mr. President, the legislation that my colleagues, Mr. BOREN, Mr. DENTON, and I are introducing today is the final step in satisfying a longstanding debt to the Creek Indians.

Public Laws 90-596 and 90-504 provided for the disposition of judgment funds awarded to the Creek Nation of Indians in docket Nos. 21 and 276. Per capita payments were made and a balance was held in trust pending appeals. As of March 31, 1983, the account, including principal and interest, for docket No. 21 was $1,013,192.90 and for docket No. 276, $59,922.13.

This legislation provides for the disposition of this balance to the Creek Nation of Oklahoma for tribal programs and a portion for the Eastern Creeks to be held in trust pending a decision on Federal recognition.

The Creek Nation of Oklahoma was the first Indian tribe to take over the administration of an Indian Health Service hospital which they have been operating since the midseventies. In December 1982, the tribe initiated the contracting of the services that have been provided by the agency office of the Bureau of Indian Affairs. I commend the diligence demonstrated by the tribal leadership in these giant strides toward self-determination.

I am pleased to have the opportunity of sponsoring this legislation with Mr. BOREN and Mr. DENTON. I know that our fellow colleagues will join in quick action to finalize this payment to the Creek Nation.●

● Mr. BOREN. Mr. President, today I am joining with my colleague from Oklahoma in introducing legislation concerning the unexpended balance of certain tribal judgment funds awarded to the Muscogee (Creek) Nation of Oklahoma. The funds in question were appropriated to the Creek Nation in 1965 and 1966 for distribution to tribal members, but have remained unclaimed. The purpose of our legislation is to provide for the disposition of these unclaimed funds.

Mr. President, the Creek Nation of Oklahoma has a proud and distinguished history. In recent years, the Creeks have made significant strides in establishing a thriving tribal economic base. Under the terms of our bill, all remaining funds in docket Nos. 21 and 276 will be used to strengthen ongoing tribal programs and assist in helping the Creek Nation achieve the goal of economic self-sufficiency. I urge the Senate to act quickly in approving this measure.●

● Mr. DENTON. Mr. President, I am pleased to join my good friend from Oklahoma, Senator NICKLES, in introducing this bill to distribute the awards under docket No. 21 of the Indian Claims Commission.

The award is divided between the Creek Indians in Oklahoma and the Creek Indians in Alabama. The Creek Indians in Alabama are currently seeking Federal recognition, and I am confident that they will receive it later this year.

For that reason, Mr. President, the bill will place the share due to the Alabama Creeks in an interest bearing account until Federal recognition is accorded. After Federal recognition, the money will go to the tribal government for use in tribal programs.

I believe that approach is far preferable to numerous, small, per capita payments that will not markedly affect anyone's economic well-being. By using the entire sum for tribal programs, the tribe can undertake initiatives that will help develop an economic base for the area and provide services that assist all Indians in Alabama.

I hope that the legislation will receive prompt consideration. I look forward to working with my colleagues to see that it is enacted.●

By Mr. MATHIAS (for himself, Mr. FORD, and Mr. HUDDLESTON):

S. 1225. A bill to amend the Internal Revenue Code of 1954 to clarify the extent to which a State, or political subdivision, may tax certain income from sources outside the United States; to the Committee on Finance.

STATE TAXATION OF FOREIGN SOURCE CORPORATE INCOME

Mr. MATHIAS. Mr. President, today I reintroduce a bill I have pursued in the last two Congresses, to rationalize the tax treatment of foreign source corporate income by the States. By purging a major inefficiency in our tax system, it would make U.S. business more competitive in international markets, and it would remove a constant source of irritation in our relations with our foreign trading partners.

A small number of States currently practice worldwide combined reporting in assessing the tax liability of a multinational corporation or group of affiliated corporations with a presence in those States. This has the effect of extending their tax tentacles overseas, contrary to Federal policy, based on an arms-length method, which treats affiliates and foreign subsidiaries in a corporate family as separate businesses for taxing purposes.

Another problem arises with intercorporate dividend payments by an overseas subsidiary to an American parent. The Federal Government allows a foreign tax credit on these earnings to avoid double taxation, but some States deny such a credit, raising the specter of double taxation.

These State practices are more than just paperwork headaches. They hurt our export effort: They cost us jobs and they discourage foreign investment. My bill would get rid of some of this confusion and inequity by putting an end to the worldwide combined reporting system, and requiring the States to follow the practice of taxing dividends from overseas subsidiaries only when they are repatriated, with a credit for any foreign taxes paid beforehand.

I was pleased to note a recent convert to my solution among the States, when Illinois passed a law last year repudiating worldwide combined reporting. The Governor, James R. Thompson, commented: "Worldwide unitary is clearly an undesirable form of State taxation * * *." My efforts also got a big boost last summer from the Supreme Court decisions in ASARCO against Idaho and Woolworth against New Mexico, where the Court invoked the due process clause of the Constitution and held that the States cannot tax the dividends a nonunitary out-of-State subsidiary pays its U.S. parent. Two other cases pending in the Supreme Court this term, Chicago Bridge & Iron against Caterpillar

Tractor and Container Corporation against the California Franchise Board, will also have an important bearing on the issues addressed by my bill, and I anticipate making revisions as necessary when those decisions are forthcoming.

An efficient tax system at all levels is to everyone's advantage domestically. Internationally it is a must. I urge all my colleagues to give the bill their closest consideration and to act promptly to insure that the United States speaks with one voice in matters of foreign commerce.

I ask unanimous consent that the text of the bill be printed in the RECORD following my remarks.

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

S. 1225

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 77 of the Internal Revenue Code of 1954 (relating miscellaneous provisions) be amended by adding at the end thereof the following new section:

"SEC. 7518. INCOME OF CORPORATIONS ATTRIBUTABLE TO FOREIGN CORPORATIONS.

"(a) IN GENERAL.—Where two or more corporations are members of the same affiliated group of corporations—

"(1) for purposes of imposing an income tax on any corporation which is a member of such group, no State, or political subdivision thereof, may take into account, or include in income subject to such tax, any amount of income of, or attributable to,

"(2) any other corporation which is a member of such group and which is a foreign corporation,

unless such amount is includable in the gross income of the corporation described in paragraph (1) for purposes of chapter 1 (including any amount includable in gross income under subpart F of part III) of subchapter N of chapter 1) for the taxable year in which or with which the taxable period (for purposes of State or local law) ends.

"(b) INCOME TAX DEFINED.—For purposes of this section, the term 'income tax' means any tax which is imposed on, according to, or measured by net income.

"(c) AFFILIATED GROUP DEFINED.—For purposes of subsection (a), the term 'affiliated group' means a common parent corporation and one or more chains of corporations connected through stock ownership with such common parent corporation.

"(d) CERTAIN CORPORATIONS TREATED AS FOREIGN CORPORATIONS.—For the purpose of this section, a domestic corporation shall be treated as a foreign corporation if under section 861(a)(2)(A) a dividend received from such corporation in the taxable year referred to in subsection (a) would not be treated as income from sources within the United States.

"(e) CERTAIN DIVIDENDS PAID OR DEEMED PAID.—

"(1) DIVIDENDS EXCLUDED FROM TAX.—If a corporation receives in any taxable year a dividend from a foreign corporation (or is by application of section 951 treated as having received such a dividend), in imposing an income tax on such corporation no State, or political subdivision thereof, may tax, or otherwise take into account—

"(A) in the case of a dividend received from a corporation with respect to which an election under section 936 is in effect for the taxable year in which such dividends are paid, the amount of deduction allowed by section 243,

"(B) in the case of a dividend received from a corporation described in subsection (d) which is not described in paragraph (A), more than the lesser of—

"(i) the amount of the dividend exclusive of any amount of dividend determined under paragraph (3), or

"(ii) the amount by which the dividend plus any amount of dividend determined under paragraph (3) exceeds the excluded portion of the dividend determined in accordance with paragraph (2),

"(C) in the case of a dividend received from any other foreign corporation more than the lesser of—

"(i) the amount of the dividend (exclusive of any amount determined under section 78), or

"(ii) the amount by which the dividend plus any amount determined under section 78 exceeds the excluded portion of the dividend determined in accordance with paragraph (2).

"(2) EXCLUDED PORTION OF A DIVIDEND.—The excluded portion of any dividend shall be determined by multiplying the amount of the dividend (including any amount of dividend determined under section 78 or paragraph (3)) by a fraction—

"(A) the numerator of the fraction shall be the sum of—

"(i) the total amount of tax withheld from all such dividends at the source.

"(ii) the total amount of tax which by application of section 902 or section 960 to all such dividends, the domestic corporation is deemed to have paid, and

"(iii) the total amount of tax deemed paid by application of paragraph (3).

"(B) The denominator of the fraction shall be 16 percent of all such dividends.

"(3) SPECIAL RULE WITH RESPECT TO DIVIDENDS RECEIVED FROM DOMESTIC CORPORATIONS TREATED AS FOREIGN UNDER SUBSECTION (d).—A corporation that receives a dividend which is described in subparagraph (B) of paragraph (1) shall—

"(A) treat as a dividend for purposes of subparagraph (B) of paragraph (1), and

"(B) treat as a tax deemed paid for purposes of subparagraph (A) of paragraph (2), foreign income taxes which such other corporation has paid or deemed paid in the same proportion on or with respect to the accumulated profits of such corporation from which such dividend was paid, which the amount of such dividend bears to the amount of such accumulated profits in excess of all income taxes (other than those deemed paid).

For purposes of this section, only a tax for which a credit against tax would be allowable under section 901 (determined without regard to the limitations in section 904 and 907) shall be taken into account.".

(b) Nothing in this section shall subject any dividend, other income item or portion thereof to taxation if such taxation is otherwise prohibited by any law, or rule of law, of the United States.

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable periods (for purposes of State or local law) beginning after December 31, 1980.

(d) AMENDMENT OF THE TABLE OF SECTIONS.—The table of sections for chapter 77 of such Code is amended by adding at the end thereof the following new item:

"Sec. 7518. Income of corporations attributable to foreign corporations.".

By Mr. CRANSTON (for himself, Mr. KENNEDY, Mr. MOYNIHAN, and Mr. TSONGAS):

S. 1226. A bill to amend the Public Health Service Act to authorize appropriations to be made available to the Secretary of Health and Human Services to respond to public health emergencies; to the Committee on Labor and Human Resources.

PUBLIC HEALTH EMERGENCY FUND

Mr. CRANSTON. Mr. President, today I am introducing legislation, S. 1226, to establish a public health emergency fund in order to help insure the availablity of funding for swift and effective Federal responses to public health emergencies. Such emergency funding would expressly be made available for research into the cause, treatment, and prevention of diseases or disorders, such as acquired immune deficiency syndrome—AIDS—that constitute public health emergencies. I am very pleased that joining me in cosponsoring this legislation are the Senators from Massachusetts (Mr. KENNEDY), the ranking minority member of the Committee on Labor and Human Resources, from New York (Mr. MOYNIHAN), who has himself introduced three bills to address similar purposes which I have joined in cosponsoring, and from Massachusetts (Mr. TSONGAS).

Our bill would establish in the Treasury a public health emergency fund and authorize the appropriation of $40 million to the fund in fiscal year 1984 and, in each subsequent fiscal year, such sums as are necessary for there to be $40 million in the fund at the beginning of the fiscal year. The funds would be available for use in responding to an emergency if the Secretary of Health and Human Services, after consultation with the Director of the National Institutes of Health, the Commissioner of the Food and Drug Administration, the Director of the Centers for Disease Control, or the Administrator of the Alcohol, Drug Abuse, and Mental Health Administration, determines either that a disease or disorder presents a public health emergency or that a public health emergency otherwise exists with respect to which the Secretary of HHS has authority to take responsive action. Following that determination, the allocation of moneys from the fund would be authorized for the purpose of appropriate responses to the emergency, including grants or entering into contracts for research into the cause, treatment, and prevention of a disease or disorder that presents an emergency.

On April 21, similar legislation, H.R. 2713, was introduced in the House by my good friend and fellow Californian,

the very able chairman of the Energy and Commerce Committee's Subcommittee on Health and the Environment (Mr. WAXMAN), and I congratulate him on the foresight and leadership he has deomonstrated with respect to this important issue. I wish to pay further tribute to my dear and late friend, the respected Congressman from California (Mr. Burton) who first focused congressional attention on the urgent need to take steps to confront, contain, and hopefully resolve the epidemic that the spread of AIDS has become.

Mr. President, although several Government agencies have authority to address different aspects of public health problems, we lack an effective mechanism for responding quickly to public health emergencies which require new medical research to be undertaken or a new, higher priority to be given to relevant research proposals and projects. Without such a contingency fund and coordinated effort, our only effective way of reacting to a public health emergency is to siphon resources off from other research and public health projects to which the same immediacy may not attach but that are equally important in protecting the health of our Nation's citizens. When such other resources cannot be found quickly, we experience dangerous delays in efforts to stop the spread of mysterious or newly discovered diseases that can rapidly become epidemics causing the suffering and death of many individuals.

Unfortunately, we have learned this lesson the hard way through the situation we face with the current problem of AIDS, a disease that destroys the body's immune system, leaving the individual highly susceptible to life-threatening infections. This disease is rapidly becoming an uncontrolled epidemic in this country. Since AIDS was first identified in 1981, over 1,300 Americans have been afflicted with it. Of these victims, 489 have died. Fewer than 14 percent of AIDS victims have survived more than 3 years after being diagnosed, and no victim has recovered fully.

The incubation period for AIDS is anywhere from a few months to 2 years or more. According to the Centers for Disease Control—CDC—there will be more than 2,000 cases by the end of this year. Nearly 3 to 5 new cases are reported each day. And if, as are many diseases, AIDS is contagious before it can be diagnosed, future victims will number much higher.

We do not know what causes this disease, how it is transmitted, or how to stop its spread or to cure it. One thing we have learned, however, is that, although 95 percent of AIDS victims thus far are members of population groups with identifiable risk factors, the disease is moving out of these well-defined high-risk groups. First reported in the gay communities of San Francisco, Los Angeles, and New York, AIDS has now spread to 35 States and 16 foreign countries. Although gay men still account for 72 percent of all cases, the disease is appearing with greater frequency among other groups as the epidemic grows. AIDS has been identified in intravenous drug users, Haitian immigrants, hemophiliacs, and children, and more and more cases are appearing that do not seem to fit into any of these risk groups.

Mr. President, I recognize that the CDC and the National Institutes of Health—NIH—are trying as best they can to deal with the problem of AIDS. However, I am concerned that they do not have the means to respond to this type of public health emergency as effectively as they should be able to. The CDC is responsible for the identification of outbreaks of disease, the epidemiological work so important to understanding disease trends, and the preliminary biomedical research to help identify a cause of the disease. However, this agency does not have the budgetary flexibility that might be needed in any given year to respond to the problems that swiftly arise due to disease epidemics, contaminants in foods or drugs, or other public health emergencies. At the present time, other programs within CDC, such as the hepatitis and infectious disease programs, are being unnecessarily restricted by the need to shift resources to the AIDS epidemic. At NIH little research on AIDS has been able to get underway because of the lengthy process of review for funding research proposals that is ordinarily required and because funds are often obligated far in advance.

It is important to note that these are not problems only with respect to AIDS. They are typical of what can happen and does happen when we face any public health emergency that requires a quick and intensive Federal response.

I have joined with my colleagues from New York (Mr. MOYNIHAN) and others in cosponsoring S. 972, a bill to increase funding for CDC for the purposes of epidemiological studies and research on AIDS. I have also joined with him in cosponsoring S. 971, legislation to create an expedited process at the National Institutes of Health for identifying and funding applications for grants or research on diseases or disorders, such as AIDS, that constitute a public health emergency. I am very pleased that the provisions of S. 971 are being incorporated in both the House and Senate Committee versions of the NIH reauthorization legislation. The approach in the bill we are introducing would be consistent with and complementary to the process that S. 971 would establish.

Mr. President, these steps will help us in our effort to solve the AIDS mystery and bring it under control as quickly as possible. But clearly we need to address the underlying problems of our lack of ability to respond to future outbreaks of unknown diseases or disorders. We need an effective mechanism for responding to public health emergencies quickly and with adequate resources.

I believe that the bill we are introducing today would provide that mechanism and that its enactment would help to insure the protection of the public's health.

Mr. President, I ask unanimous consent that the text of our bill be printed in the RECORD at this point.

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

S. 1226

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Public Health Service Act is amended by inserting after section 318 the following new section:

"PUBLIC HEALTH EMERGENCIES

"SEC. 319. (a) If the Secretary determines, after consultation with the Director of the National Institutes of Health, the Administrator of the Alcohol, Drug Abuse, and Mental Health Administration, the Commissioner of the Food and Drug Administration, or the Director of the Centers for Disease Control, that—

"(1) a disease or disorder presents a public health emergency, or

"(2) a public health emergency otherwise exists and the Secretary has the authority to take action with respect to such emergency,

the Secretary, acting through such Director, Administrator, or Commissioner, may take such action as may be appropriate to respond to the public health emergency, including making grants and entering into contracts for investigations into the cause, treatment, or prevention of a disease or disorder involved.

"(b) There is established in the Treasury a fund designated the 'Public Health Emergency Fund' to be available to the Secretary without fiscal year limitation to carry out subsection (a). There is authorized to be appropriated to the fund $40,000,000 for fiscal year 1984. For fiscal year 1985 and each fiscal year thereafter there is authorized to be appropriated to the fund such sums as may be necessary to have $40,000,000 in the fund at the beginning of such fiscal year.".

By Mr. NICKLES:

S. 1227. A bill to amend the Employee Retirement Income Security Act of 1974 for the purpose of improving the single-employer pension plan termination insurance program established under title IV therein; to the Committee on Finance.

SINGLE-EMPLOYER PENSION PLAN TERMINATION INSURANCE IMPROVEMENTS ACT OF 1983

● Mr. NICKLES. Mr. President, today I am introducing legislation amending the provisions governing the single employer plan termination insurance program created in 1974 by title IV of ERISA.

This proposal is the product of extensive discussions between the Labor Subcommittee, representatives of the Federal agencies directly concerned with the insurance program—specifically the Pension Benefit Guaranty Corporation, the Department of Labor, the Treasury Department—and outside interested parties representing premium payers and beneficiaries. The essential concepts contained in this proposal were developed by an administration Cabinet council task force.

Early in the 97th Congress, I introduced, as part of an onmibus ERISA revision, a more complicated proposal designed to address the flaws in the system. The subcommittee devoted 2 days of hearings to the single employer termination problem—one of which dealt solely with the PBGC request for a premium increase—and then tried to piece together a proposal fair to the Pension Benefit Guaranty Corporation, plan sponsors and beneficiaries. Unfortunately, time ran out before we finished our negotiations.

The administration's involvement in the process last fall and continuing until now has directly led to the introduction of this proposal. I must point out that this proposal is a simplified version of the legislation that we were developing last Congress.

This proposal keeps the general parameters laid out in current law. Plan sponsors of fully funded defined benefit plans can still terminate their plans with minimum PBGC involvement. The insurable event remains plan termination. Plan sponsors of underfunded terminated plans still have their liability capped at 30 percent of net worth—with one minor exception.

However, three prinicipal flaws in the current system are dealt with in this proposal: plan sponsors dumping underfunded plans on the PBGC, and consequently on the other premium payers; plan sponsors evading liability by spinning off underfunded plans that eventually are dumped on the system; and plan sponsors being granted funding waivers by the IRS that are not repaid, and thereby increasing the exposure to the PBGC should the plan subsequently be terminated.

By way of background information on this rather obscure agency, it should be noted that the Pension Benefit Guaranty Corporation performs a vital function by taking over defunct underfunded defined benefit pension plans. Currently the PBGC is paying monthly retirement benefits to over 106,000 recipients and has incurred future obligations exceeding $3 billion.

I must point out that as of September 30, 1982, the PBGC was some $333 million in the red, that this figure is steadily growing, and that the administration has again requested a premium increase from the current $2.60 per participant per year to $6. If the premium is not increased soon, the PBGC deficit will grow to the point where the $6 premium would be insufficient to ever eliminate the deficits. The $333 million liability is real and Congress needs to take action soon both on the premium increase and on changes to the system designed to reduce future upward pressure on the premium.

Mr. President, as the result of the many hours I have spent talking to all concerned parties, I agree that the concepts reflected in this proposal are both reasonable and workable—it will provide necessary protection for the insurance system, cause minimum disruption to te defined benefit pension community, and ultimately reduce the upward pressure on the premium. However, I welcome constructive comments and am open to suggestions from all concerned parties to improve upon the proposal.

At this point, it is my intention to hold hearings on this proposal on June 6, 1983. Interested parties may contract Chuck Carroll of the Labor Subcommittee at 224-5546. I am hopeful that the Labor Committee can expedite condideration of the bill.

Mr. President, I ask unanimous consent that the bill, along with a section-by-section analysis be printed in the RECORD. I also ask unanimous consent that two letters sent by Secretary of Labor Donovan be printed in the RECORD.

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

S. 1227

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Single-employer Pension Plan Termination Insurance Improvements Act of 1983".

SEC. 2. TABLE OF CONTENTS.

Sec. 1. Short title
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SEC. 3. FINDINGS AND DECLARATIONS OF POLICY

(a)(1) The Congress finds that the continued viability of the Pension Benefit Guaranty Corporation and the insurance program administered by it requires:

(A) An increase in the premium payable under the single-employer insurance program;

(B) A modification of the conditions under which the corporation is required to assume the guaranteed pension liabilities under terminated plans so as to avoid inequitable transfers of such liabilities to the corporation;

(C) A modification of the conditions under which an employer may obtain a waiver of the funding requirements under the Employee Retirement Income Security Act of 1974, as amended, in order to provide better protection to plan participants, the corporation and premium payers.

(2) The Congress further finds that the insurance program is affected with a national public interest and that the plans covered by such program are an important factor in commerce because of the interstate character of their activities.

(3) The Congress further finds that the modifications contained herein are necessary to carry out the purposes of Title IV of the Employee Retirement Income Security Act of 1974, as amended. (b) It is hereby declared to be the policy of this Act to carry out the purposes of Title IV of the Employee Retirement Income Security Act of 1974, as amended, by enacting the modifications contained herein.

SEC. 4. AMENDMENTS TO TITLE IV OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.

Whenever in this Act, an amendment is expressed in terms of an amendment to a section or other provision, the reference is to a section or other provision of title IV of the Employee Retirement Income Security Act of 1974, as amended, unless otherwise specified.

SEC. 5. DEFINITIONS.

(a) Section 4001(a) (29 U.S.C. 1301(a)) is amended—

(1) by striking out paragraph (10) and inserting in lieu thereof the following:

"(10) 'plan sponsor' means—

"(A) with respect to a multiemployer plan—

"(i) the plan's joint board of trustees, or

"(ii) if the plan has no joint board of trustees, the plan administrator, and

"(B) with respect to a single-employer plan, the 'plan sponsor' as defined for a single-employer plan in section 3(16)(B)";

(2) in paragraph (11), by striking out "and";

(3) in paragraph (12), by striking out "corporation." and inserting in lieu thereof "corporation;" and

(4) by adding after paragraph (12) the following new paragraphs:

"(13) 'contributing sponsor' means, in connection with a plan, a person, whether or not incorporated—

"(A) who employs or employed any individual who, as a result of such employment, is retaining or earning credited service under the plan, and

"(B) who is contributing to the plan, who is responsible (under such regulations as the corporation may prescribe) for making contributions to the plan, or on whose behalf contributions are being made to the plan;

"(14) 'control group', when used in connection with a single-employer plan, means a group of two or more persons under common control, as determined under regulations of the corporation; and, in the case of a single-employer plan, the determination under such regulations of whether two or more persons are under 'common control' shall be based on principles similar to principles which apply in determining under section 4001(b) in the case of a multiemployer plan whether employees of two or more trades or businesses (whether or not incorporated) shall be treated as employed by a single employer, except that 'common control' shall be based on a common interest of more than 50 percent;

"(15) 'Single-employer plan' means, except as otherwise specifically provided in this title, any plan which is not a multiemployer plan;

"(16) 'composite single-employer plan' means a single-employer plan with respect to which there are two or more contributing sponsors, not all of whom are within the same control group; and

"(17) 'amount of unfunded guaranteed benefits' means, in connection with a single-employer plan, an amount equal to the excess of—

"(A) the actuarial present value of the guaranteed benefits under the plan determined on the basis of assumptions prescribed by the corporation for purposes of section 4044, over

"(B) the current value of the assets of the plan that are allocated to those benefits in accordance with section 4044.

"(18) 'amount of unfunded vested benefits' means, in connection with a single-employer plan, an amount equal to—

"(A) the actuarial present value of nonforfeitable benefits under the plan determined on the basis of plan assumptions except that the actuarial present value determined on such basis shall not be less than the value of those benefits as determined under assumptions prescribed by the corporation for purposes of section 4044, less

"(B) the current value of the assets of the plan.".

(b) Section 4001(c) (29 U.S.C. 1301(b)) is redesignated section 4001(b) and is amended—

(1) by striking out "For purposes of this title," and inserting in lieu thereof "In applying this title to multiemployer plans,"; and

(2) by striking out the last sentence.

(c) Section 4001(b), as redesignated by paragraph (1) of subsection (b), is amended by striking out subsection (2) and redesignating subsection (3) as subsection (2), and subsection (4) as subsection (3).

SEC. 6. PREMIUMS.

Section 4006 is amended as follows:

(a) Section 4006(a)(1) (29 U.S.C. 1306(a)(1)) is amended in the third sentence by striking out "apply." and inserting in lieu thereof "apply, except that the reference in such paragraph (5) to paragraph (3) shall be construed to be a reference to paragraph (3) as amended by such Act.".

(b)(1) Section 4006(a)(3)(A)(i) (29 U.S.C. 1306(a)(3)(A)(i)) is amended by striking out, "for plan years beginning after December 31, 1977, an amount equal to $2.60" and inserting in lieu thereof "for plan years beginning after December 31, 1982, an amount equal to $6.00".

(c) Section 4006(c)(1) is amended by striking out subparagraph (A) and inserting in lieu thereof—

"(A) in the case of each plan which was not a multiemployer plan in a plan year—

"(i) with respect to plan years beginning before January 1, 1978, an amount equal to $1.00 for each individual who was a participant in such plan during the plan year, and

"(ii) with respect to plan years beginning after December 31, 1977, an amount equal to $2.60 for each individual who was a participant in such plan during the plan year, and".

SEC. 7. FUNDING WAIVERS.

Title IV is amended by adding after section 4009 (29 U.S.C. 1309) the following new section:

"CORPORATION MAY SET TERMS AND CONDITIONS FOR VARIANCE FROM MINIMUM FUNDING STANDARD"

"SEC. 4010. (a)(1) Any waiver granted by the Secretary of the Treasury under section 303 or 304 of this Act or under section 412 (d) or (e) of the Internal Revenue Code of 1954 with respect to a plan to which section 4021 of this Act applies shall contain such terms and conditions as the corporation shall specify relating to the payment and collection of the waived amounts including security in favor of the plan.

"(2) A lien shall arise in favor of the plan on the date of the waiver granted under section 303 or 304 of this Act or under section 412 (d) or (c) of the Internal Revenue Code in the amount of the waived funding deficiency. The lien shall be on all property and rights to property, whether real or personal, belonging to the employer maintaining or contributing to such plan.

"(3) The lien imposed by paragraph (2) arises on the date the waiver referred to in such paragraph is granted, and continues until the amounts waived are paid to the plan.

"(4) Except as otherwise provided under this section, the priority of the lien imposed under paragraph (2) shall be determined in the same manner as under section 6323 of the Internal Revenue Code of 1954. Such section 6323 shall be applied by substituting 'lien imposed by section 4010(a) of the Employee Retirement Income Security Act of 1974' for 'lien imposed by section 6321'; 'corporation' for 'Secretary or his delegate'; 'the lien imposed by section 4010(a)' for 'tax lien'; 'employer' for 'taxpayer'; 'lien arising under section 4010(a) of the Employee Retirement Income Security of 1974' for 'assessment of tax'; and 'payment of the loan value is made to the corporation' for 'satisfaction of a levy pursuant to section 6332(b)'; each place such terms appear.

"(5) In a case under Title 11 of the United States Code or of insolvency proceedings, the lien imposed under subsection (a) shall be treated in the same manner as a tax due and owing to the United States for purposes of Title 11 of the United States Code or section 3466 of the Revised Statutes (31 U.S.C. 191).

"(6) For purposes of applying section 6323(a) of the Internal Revenue Code of 1954 to determine the priority between the lien imposed under paragraph (2), the lien imposed by section 4068 of this Act, and a Federal tax lien, each lien shall be treated as a judgment lien arising as of the time notice of such lien is filed.

"(b) In the case of a lien arising under paragraphs (1) and (2) with respect to a composite single-employer plan, the amount of the lien shall be allocated among contributing employers in accordance with a fraction, the numerator of which is the contributions required under the plan from each employer for the plan year for which the waiver is granted and the denominator of which is the total contribution required under the plan from all employers for the plan year for which the waiver is granted.

"(c) Notwithstanding any other provision of law, the Secretary of the Treasury shall make available to the corporation, upon request, any information, documents, returns, or other items in the possession of the Secretary relating to plans with respect to which a waiver is requested under section 303 or 304 of this Act or under section 412 (d) or (e) of the Internal Revenue Code of 1954 that the corporation considers necessary to carry out the provisions of subsection (a). Any such information, document, return, or other item so made available to the corporation shall be subject to the same rules governing confidentiality and disclosure with respect to such information, document, return, or other item as apply thereto under section 6103 of the Internal Revenue Code of 1954.

"(d)(1) The plan administrator shall, at the direction of the corporation, perfect and file notice of the lien imposed by this section and shall file such reports with the corporation as may be required in regulations issued by the corporation, and

"(2) Notwithstanding any other provision of this section, the corporation shall have the power and the authority to do any acts required of the plan administrator with respect to the lien.".

SEC. 8. TERMINATION OF INSUFFICIENT PLANS.

(a) Section 4041(c) is amended to read as follows:

"(c)(1) For plans other than composite single-employer plans, if, within such 90-day period referred to in subsection (a), the corporation finds that it is unable to determine that, if the assets are allocated in accordance with the provisions of section 4044, the assets held under the plan are sufficient to discharge when due all obligations of the plan with respect to basic benefits, it shall notify the plan administrator within such 90 day period of that finding, and, except as provided in subsection (g), the proposed termination shall not be effective and the plan sponsor shall continue to maintain the plan as if no notice had been filed under subsection (a). Nothing in this section shall preclude a plan sponsor from taking other action with respect to the accrual of benefits under a plan that is not inconsistent with section 203 and 204 of title I and section 411 of the Internal Revenue Code.

"(2)(A) For composite single-employer plans, if within such 90 day period referred to in subsection (a), the corporation finds it is unable to determine that, if the assets of the plan are allocated in accordance with the provisions of section 4044, the assets held under the plan are sufficient to discharge when due all obligations of the plan with respect to basic benefits, it shall notify the plan administrator within such 90-day period of that finding. When the corporation issues a notice under this paragraph, it shall commence proceeding in accordance with the provisions of section 4042. Upon receiving a notice under this subsection, the plan administrator shall refrain from taking any action under the proposed termination.

"(B) Notwithstanding subparagraph (A), the corporation may prescribe regulations under which composite plans are treated in a manner consistent with paragraph (1).".

(b) Section 4041 is amended by adding thereto new subsections (g) and (h) to read as follows:

"(g) Termination is effective for a plan to which subsection (c)(1) applies if the corporation—

"(1) finds that the plan sponsor maintaining the plan has proved to the corporation that it is unlikely to pay its debts as they mature and it will be unable to continue in business if its contribution obligations to the pension plan are not terminated; and

"(2) will receive, on a date and in a form acceptable to the corporation, including but not limited to cash, debt instruments, collateralized notes, bonds or other security,

"(A) the amount of all contributions with interest becoming due the plan, including those for which waivers had been granted

under sections 303 or 304 of Title I of this Act, or sections 412 (d) or (e) of the Internal Revenue Code and all contributions due after the filing of a petition under Title 11, U.S. Code (or a similar law of any state or political subdivision of a state); and

"(B) an amount equal to the lesser of the value of the unfunded guaranteed benefits under the plan on the date of plan termination or 30 percent of the net worth of the employer; and

"(3) finds that it is reasonably assured, taking into account such facts and circumstances that the corporation determines to be relevant including the interests of the employees, employer and the corporation, that, if the plan sponsor continues in business, the corporation will collect on or after the date of termination through an interest in the future profits of the employer, an amount equal to the excess, if any, of the value of the unfunded guaranteed benefits on the date of plan termination over 30 percent of the employer's net worth, as well as any costs incident to terminating the plan under this paragraph.

"(4) For purposes of this section, the net worth of an employer shall be determined in accordance with sections 4062(b)(2) and 4062(c).

"(5) Notwithstanding any other provisions of this section, a termination which occurs as a result of the complete liquidation of a plan sponsor shall be effective if the corporation determines that it will receive on a date and in a form acceptable to the corporation, an amount equal to the lesser of the value of the unfunded guaranteed benefits under the plan of the date of plan termination or 30 percent of the net worth of the employer, determined in accordance with sections 4062(b)(2) and 4062(c).

"(h) The district courts of the United States shall have jurisdiction of actions brought to review the actions of the corporations under subsection (g). In any such action, the court shall review the record and remand any action found to be

"(1) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law;

"(2) taken without procedures required by law, rule, or regulation having been followed; or

"(3) unsupported by substantial evidence.".

(c) Section 4062(b) is amended by inserting, after the word "corporation," in the first sentence thereof, the phrase "except as otherwise provided in section 4041(g)".

SEC. 9. CONTINGENT LIABILITY.

(a) Title IV is amended by inserting after section 4064 (29 U.S.C. 1364) the following new section 4064A:

"LIABILITY FOLLOWING CERTAIN CHANGES UNDERGONE BY CERTAIN PERSONS IN RELATION TO SINGLE-EMPLOYER PLANS OTHER THAN COMPOSITE SINGLE-EMPLOYER PLANS

"SEC. 4064A. (a)(1) Except as provided in subsection (c) and (e), a person whose obligation with respect to benefits under a single-employer plan (other than a composite single-employer plan) is changed as defined in subsection (b) after the [effective date] is jointly and severally liable under this section if a single-employer plan providing the benefits with respect to which the change occurred terminates before the end of the tenth year following the date on which the change occurred.

"(2) Notwithstanding paragraph (1), the corporation may prescribe regulations under which composite plans are treated in a manner consistent with other single-employer plans.

"(b) There is a change in the obligation of a person with respect to benefits in the circumstances and to the extent described in paragraphs (1) through (3).

"(1) In any case in which the liability for some or all of the benefits under a plan is assumed by another plan, there is a change in the obligation of the contributing sponsor of the first plan and of all persons in the same control group as the contributing sponsor as of the date of the change with respect to the benefits for which the liability was assumed by the second plan, unless the contributing sponsor of the first plan is also a contributing sponsor of the second plan.

"(2) In any case in which a person ceases to be a contributing sponsor with respect to a plan, there is a change in the obligation of the person and all members of the same control group as the person as of the date of the change with respect to benefits covered under the plan, however, there shall be no change with respect to such a member of the same control group as the person who ceased to be a contributing sponsor with respect to the plan, if such a member is a contributing sponsor or in common control with a contributing sponsor to the plan after the cessation.

"(3) In any case in which a person ceases to be a member of a control group, there is a change in the obligation of that person with respect to benefits under any plan for which other members of the control group are contributing sponsors, and there is a change in the obligation of such other members with respect to benefits for which the person that ceased to be a member continues to be a contributing sponsor after the cessation.

"(c) This section shall not apply to any person in connection with a plan termination if the person is liable under section 4062 in connection with the termination.

"(d)(1) Except as provided in paragraph (2), the liability of any person under this section with respect to termination described in subsection (a) is the aggregate amount of liability to the corporation incurred by the corporation with respect to the plan under section 4062(b), less any amounts collected (exclusive of promissory notes, obligations, securities and other debt instruments) by the corporation in satisfaction of that liability during the 90-day period following the date of the corporation's determination of liability (or the court's determination, in the case of a court proceeding); except that such 90-day period may be extended to a 180-day period by the court in a court proceeding to determine liability under this section. Upon receipt of payment of all liability imposed by this title, the corporation shall transfer all rights and ownership under any debt instruments evidencing the liability, to the persons liable under this section who have paid amounts due under this section, to the extent retention by the corporation of such instruments is not necessary to satisfy such liability under section 4062(b). Any person liable under this section when such rights and ownership are transferred shall succeed to the claims and all rights and ownership interest under any debt instrument or contractual agreement of the corporation against any person liable under section 4062 to the extent such claims, if paid, would have reduced the liability of such person under this section.

"(2) If a person liable under this section demonstrates that the amount of unfunded guaranteed benefits with respect to which the change occurred on the date of the change is less than the amount determined under paragraph (1), the liability of such person shall not exceed the lower amount.

"(3) A person liable under this section may pay the liability imposed under paragraphs (1) or (2) by amortizing the amount in equal annual installments over a period not to exceed 15 years, in accordance with regulations promulgated by the corporation.

"(4) If a person liable under this section demonstrates to the corporation that payment of the liability imposed by this section will prevent it from being able to pay its debts as they mature and from being able to continue in business, the corporation shall have the authority to structure the debt repayment in a manner not inconsistent with sections 4041(g)(1)(B) (ii) and (iii), and shall treat such person no differently than the person would have been treated at the time of the change had such person applied to the corporation for termination of the plan at the time of the change.

"(e) This section shall not apply to a person described in subsection (a) if:

"(1) the amount of unfunded vested benefits with respect to which the change occurred is less than $500,000 as of the date of the change; or

"(2) under regulations which shall be prescribed by the corporation, the change does not increase the risk of loss to the corporation with respect to the plan. Such regulations shall set forth specific tests which an employer can use to demonstrate whether any such increased risk of loss exists based on analyses of assets, income and net worth of the person who is the plan sponsor after the change in relation to the value of the unfunded vested benefits on the date of the change, and the ability of the person who is the plan sponsor after the change to maintain the plan.

"(f) If a principal purpose of any transaction is to evade or avoid liability under this section or section 4062, this section and section 4062 shall be applied (and liability shall be determined and collected) without regard to such transaction."

"(g) For purposes to this section, the following rules apply in the case of the certain corporate reorganizations.

"(1) If a person ceases to exist by reason of a reorganization which involves a mere change in identity, form, or place of organization, however effected, a successor corporation resulting from such reorganization shall be treated as the person to whom this section applies.

"(2) If a person ceases to exist by reason of liquidation into a parent corporation, the parent corporation shall be treated as the person to whom this section applies.

"(3) If a person ceases to exist by reason of a merger, consolidation, or division, the successor corporation or corporations shall be treated as the person to whom this section applies.".

SEC. 10. REQUIRED ACTIONS OF THE CORPORATION.

(a) Within two years after the date of enactment the corporation shall submit to the Congress a report that identifies alternatives for performing some or all of the corporation's functions in the private sector.

(b) Within two years after the date of enactment the corporation:

(1) shall submit to the Congress for approval in accordance with section 4006(a)(4) and (b)(1) alternative schedules of premium rates and bases for the application of those

rates, for basic benefits guaranteed by it under section 4022. Such premium rates shall be based in whole or in part on the risks insured by the corporation in each plan; or

(2) shall submit a report to the Congress which identifies such alternatives and explains why their use is not feasible.

SEC. 11. EFFECTIVE DATE.

The provisions of this Act shall be effective on [insert date] except that the amendments made by section 6 of this act shall be effective for plan years commencing after December 31, 1982.

SEC. 12. AMENDMENTS TO THE TABLE OF CONTENTS.

Section 1 of the Employee Retirement Income Security Act of 1974, as amended, is amended by—

(1) Adding after section "4009" the following new section 4010:

"SEC. 4010. Corporation may set Terms and Conditions for Variance from Minimum Funding Standard"

(2) Adding after section "4064", the following:

"SEC. 4064A. Liability Following Certain Changes Undergone by Certain Persons in Relation to Single-Employer Plans Other than Composite Single-Employer Plans"

EXPLANATION OF THE SINGLE-EMPLOYER BILL

Section 1 contains a short title and section 2 contains a table of contents. Section 3 contains the findings and declaration of policy.

Section 4 specifies that any amendment to a section or other provision in the bill is an amendment to a section or other provision of Title IV of ERISA, as amended.

Section 5 adds the following new definitions:

(1) a definition of plan sponsor, which with respect to a single-employer plan references the definition in Title I of ERISA, section 3(16)(B);

(2) a definition of contributing sponsor which is designed to identify which business or businesses in a common controlled group of corporations is the sponsor that is maintaining the pension plan;

(3) a revised definition of control group;

(4) a definition of single-employer plan, which is defined as any plan which is not a multiemployer plan;

(5) a definition of composite single-employer plan, which is defined as a single-employer plan that has two or more unaffiliated contributing sponsors, i.e., there are at least two sponsors to the plan which are not in the same control group;

(6) a definition of the amount of unfunded guaranteed benefits; and which is defined as the difference between the actuarial present value of guaranteed benefits and the current value of plan assets allocated to those benefits. This definition is substantially the same as the definition in existing law.

Section 6 amends existing law to increase the annual premium paid by single-employer pension plans from $2.60 per participant to $6.00 per participant for plan years beginning on or after January 1, 1983.

FUNDING WAIVERS

Section 7 adds a new section 4010 to Title IV, which gives the Pension Benefit Guaranty Corporation the authority to place conditions on funding waivers designed to assure collection by the pension plan of the waived amounts. The section also provides that when a funding waiver is granted a lien arises on behalf of the plan for the waived amount. The lien is treated the same as an employer liability lien under section 4068(c) of existing law. Subsection (b) provides that the Secretary of the Treasury shall make available to the PBGC all of the information that it gets with respect to a funding waiver request and applies to the PBGC the rules of confidentiality and disclosure that apply to the Internal Revenue Service under section 6103 of the Internal Revenue Code.

INSURABLE EVENT

Section 8 substitutes a new Section 4041(c)(1) and (2) for existing Section 4041(c), and adds two new subsections, (g) and (h), that change the procedures applicable to terminating pension plans which do not have sufficient assets to pay all guaranteed benefits.

Section 4041(c) currently provides that a plan which is insufficient to provide guaranteed benefits shall be notified of that fact by the PBGC within ninety days after a notice of intent to terminate is filed with the PBGC. Thereafter, termination proceeds as specified in section 4042, which is not being amended. Under the revised bill paragraph (1) of Subsection 4041(c) would provide that a single-employer plan (other than a composite plan) which is determined by the PBGC to have insufficient assets to provide guaranteed benefits is not terminated and shall continue to be maintained as an ongoing plan unless terminated in accordance with the provisions of new Subsection (g). The reference to "composite plans" in Subsection (c)(1) is included to exclude them from the insurable event procedures, primarily for simplicity. Paragraph (2) of subsection 4041(c) then specifies that composite plans terminate as under current law regardless of whether they are sufficient or insufficient to pay guaranteed benefits. Justification for continuing present law with respect to composite plans stems from the fact that no abuses in that area have occurred.

No change in the law is proposed with respect to sufficient plans which continue to be governed by Section 4041(b) which is not being amended.

The new Subsection (g) is the key section of the insurable event changes. It would provide that termination is effective for a pension plan only if the PBGC finds that the plan sponsor maintaining the plan has proved that it would be forced out of business if its contribution obligations to the pension plan are not terminated. The PBGC is also required to find, as a condition of termination, that it is reasonably assured that if the plan sponsor continues in business, PBGC will collect the following amounts:

(1) 30 percent of the net worth of the employer;

(2) the amount of all contributions with interest on those contributions that were due to the plan prior to termination, including waived funding deficiencies; and

(3) taking into account the best interests of employees, the employer and the corporation, and if the plan sponsor continues in business, any difference between the amounts under items 1 and 2 and the unfunded guaranteed benefits through an interest in the future profits of the employer. Plans terminating as a result of the complete liquidation of the plan sponsor will be accepted by the corporation if the corporation is assured that it will receive the lesser of 30 percent of net worth or the value of the unfunded guaranteed benefits under the plan. This section further provides that amounts due PBGC under terms 1 and 2 are to be secured in some fashion.

New Subsection 404(h) provides that PBGC determinations are reviewable by the District Court. The court shall remand to the Corporation for further proceedings any action found to be (1) arbitrary, capicious, an abuse of discretion; or otherwise not in accordance with law; (2) taken without procedures required by law, rule, or regulation having been followed; or (3) unsupported by substantial evidence.

TRANSFER RULES

Section 9 adds new section 4064A to Title IV. It creates contingent liability for certain changes in a person's obligation with respect to a pension plan. (The transfer rules do not cover composite plans.) The contingent liability extends for ten years following the change, as specified in Subsection (a).

Subsection (b) outlines the circumstances in which a change in the obligation with respect to benefits occurs. Briefly stated, a change occurs under three different described circumstances and to the extend specified in paragraphs 1 through 3:

Assumption of some or all of the benefits under one plan by other plan, except where the contributing sponsor of the first plan is also a contributing sponsor of the second plan. The change occurs with respect to the benefits for which the liability was assumed by the second plan. (See Example 1.)

Cessation of any person as a contributing sponsor with respect to a plan. The change occurs with respect to benefits covered under the plan. (See Example 2.)

Cessation of any person as a member of a control group. The change occurs with respect to benefits under any plan for which the person is a contributing sponsor after the change. (See Example 3.)

Subsection (c) provides that, if a person is liable in connection with a plan termination under Section 4062 as the employer of the terminating plan, these transfer rules shall not apply to that person. The liability arises in the event of a plan termination within ten years after the change, if the PBGC at the time of plan termination is unable to recover the full underfunding of the plan for guaranteed benefits. The contingent liability under subsection (d) is for the difference between what PBGC recovers from the employer maintaining the plan when it terminates and the underfunding for guaranteed benefits as of that date. However, such differences can be reduced if the person contingently liable demonstrates that the amount of underfunding for guaranteed benefits as of the date of the change is less than the amount of underfunding as of the date of the plan termination. In that event the liability is limited to the underfunding at the time of the change. Thus, if the contingently liable person establishes that immediately after the change the value of the assets of the plan that covers the benefits for which the change occurs equals or exceeds the present value of those benefits guaranteed by PBGC, the contingent liability is zero. Also, there is no contingent liability under subsection (e) if:

(1) immediately after the change the difference between the value of the vested benefits and the value of assets with respect to which the change occurs is less than $500,000; or

(2) the change does not increase the risk of loss of PBGC with respect to the plan, which will be determined under regulations that PBGC is required to issue.

Paragraph 3 of Subsection (d) provides that liability imposed by this section may be amortized in equal annual installments over fifteen years. Paragraph 4 of Subsection (d) provides that if a person liable under this section demonstrates that payment of the liability will prevent it from being able to continue in business, the Corporation shall have the authority to structure the payment in a manner not inconsistent with Section 4041(g) discussed above under Insurable Event. Under this paragraph a person transferring liabilities with respect to a plan will have no greater liability than it would have had had it terminated the plan on the date of the transfer.

Subsection (f) provides that if a principal purpose of any transaction is to evade or avoid liability under this section or Section 4062, such section shall be applied without regard to the transaction. The transfer rules are illustrated in the examples below.

Example 1—Transfer of Pension Liabilities

Corporation A sells one of its divisions to Corporation Z, and transfers the assets and liabilities for the division's employees from the Corp. A pension plan to a new pension plan established by Corp. Z. The value of the vested benefits transferred is $10 million, of which $9 million is guaranteed as of the date of the transfer. The value of assets transferred is $5 million. Seven years after the transfer Corp. Z is liquidated. At that time the plan is underfunded for guaranteed benefits by $10 million and PBGC recovers $8 million from Corp. Z. Corp. A's liability is the lesser of PBGC's loss before contingent liability of $2 million ($10 million underfunding minus $8 million recover from Z) or $3 million, the underfunding for guaranteed benefits at the time of the transfer. If PBGC had collected only $6 million from Corp. Z, Corp. A's contingent liability would have been limited to $3 million, the unfunded guaranteed benefits as of the date of the transfer, and PBGC would have absorbed a $1 million loss ($10 million underfunding minus $6 million from Z and $3 million from A).

Example 2—Ceasing to be a Contributing Sponsor

Corp. B is a subisidary of Corp. A. Both contribute to the AB pension plan. The stock of Corp. B is distributed to Corp. A's shareholders and Corp. B ceases participation in plan AB. Corp. A then goes bankrupt causing the termination of plan AB. Corp. B is contingently liable for any unfunded benefits in plan AB for which PBGC does not recover from Corp. A. The liability is determined the same way as in Example 1.

Assume that instead of Corp. B's stock being distributed to Corp. A's shareholders, it is purchased by Corp. Z. Upon the termination of plan AB only Corp. B would be liable, not Corp. Z, unless Corp. Z and Corp. B had merged. The reason is that a change occurred with respect to benefits under Plan AB only for Corp. B when it ceased to be a contributing sponsor. Since Corp. Z was never a contributing sponsor to Plan AB, it did not suffer a change in its obligations with respect to that plan. However, if Corp. B and Corp. Z merge, then the merged entity succeeds to Corp. B's contingent liability under section 4064A(f).

Example 3—Control Group Split-Up

Corp. A and Corp. B are both owned by Corp. C and each corporation maintains a separate pension plan for its own employees. The stock of Corp. A and Corp. B is distributed to Corp. C's shareholders so that these are now three separate unaffiliated corporations. Assume Corp. A's pension plan has less than $500,000 in unfunded vested benefits, but Corp. B's and Corp. C's pension plans have $1 million and $2 million in unfunded guaranteed benefits respectively. If Corp. A's plan terminates, neither Corp. B nor Corp. C is contingently liable because of the $500,000 rule. But, if Corp. B's or Corp. C's pension plans terminate, the other two corporations, including Corp. A, would have contingent liability. This result is the same as if the split-up of the control group had not occurred, because, under existing law, when a plan terminates all members of the same control group as the contributing sponsor to the terminating plan are jointly and severally liable under section 4062.

Example 4—Sale of Assets with no Pension Liabilities Transferred

Corp. A sells the assets of division 1 to Corp. Z but transfers no pension liabilities. There is no contingent liability because there has been no change in the obligation of A with respect to benefits under any plan. However, if owners of Corp. A set up a new Corp. Z that assumes all A's assets and liabilities except for the pension plan, leaving Corp. A a shell with the pension plan which is then liquidated, Corp. Z would be liable under 4064A(f), which creates liability if a principal purpose of a transaction is to aviod liability under Title IV.

Section 10 of the bill requires the Corporation to submit to Congress, within 2 years after enactment, a report that identifies alternatives for performing some or all of PBGC's functions in the private sector. In addition, the PBGC is required to submit to the Congress for its approval within two years after enactment, an alternative schedule of premium rates which would be based on risk, or to submit a report explaining to the Congress why a risk-related premium structure is not feasible.

Section 11 provides that the provisions of the Act are effective as of the date of enactment, except that the premium increase is effective as January 1, 1983.

Section 12 amends the statute's table of contents.

U.S. DEPARTMENT OF LABOR,
SECRETARY OF LABOR,
Washington, D.C., March 9, 1983.

Hon. DON NICKLES,
U.S. Senate, Washington, D.C.

DEAR SENATOR NICKLES: The Administration is deeply concerned with the problems of single employer pension plan termination and is hopeful that appropriate legislation to resolve these difficult problems can be achieved in the near future. I am pleased to present to you the Administration's views on the major issues involved in single employer pension legislation. We believe that the following recommendations can be the basis for a simple, constructive approach to the problem.

(1) The insurable event

Under present law an employer may voluntarily terminate its pension plan at any time. If the firm's assets are insufficient to pay its guaranteed benefits, the PBGC becomes the trustee of the plan and pays the guaranteed benefits. The PBGC has a claim against the employer for any underfunding, but the maximum amount of PBGC's claim is limited to 30 percent of the employer's net worth.

RECOMMENDATION

Plan termination should continue to be the insurable event. Employers with adequately funded plans may still terminate at any time or "freeze" plans as under current IRS rules.

Amend the current law to prohibit insufficient plans to terminate except under the following rules:

(1) The PBGC would be given the power to allow an employer to terminate such plans only if the employer proves to the PBGC that its creditors would force it out of business if the obligation of the employer to the pension plan cannot be restructured and if such termination is in the best interests of employees, the employer and the PBGC.

(2) The PBGC, upon agreeing to a termination, would receive a lien for 30 percent of the employer's net worth and for any hardship waivers for which they did not already have a lien (but not to exceed the amount of unfunded guaranteed benefits).

(3) Upon terminating, the employer would be liable for the unfunded guaranteed benefits (not to exceed 30% of net worth). The PBGC would be able to negotiate the structure of the employer's debt to the PBGC, including future liens. It should also be able to accept a profit interest for part of the debt. If the employer and the PBGC cannot agree, the employer would be able to go to court to seek review of the settlement proposed by the PBGC.

(2) Creditor status

PBGC now has a claim against the employer for up to 30 percent of net worth for the amount by which guaranteed benefits exceed the plan's assets.

RECOMMENDATION

Maintain the present law.

(3) Transfer liability

Under present law, liability to the PBGC for unfunded guaranteed pension benefits is attributable only to the employer maintaining the pension plan on the date of plan termination. This means that some employers have been able to shift responsibility for their pension promises to the PBGC by transferring their pension liabilities to a weak employer who then terminates and leaves PBGC with the unfunded liabilities.

RECOMMENDATION

Title IV should be changed in a way that an employer who transfers a business is contingently liable for 10 years. This means that if the transferee has inadequate net worth, the transferor is liable for the difference.

We also recommend two exceptions to this contingent liability: (1) if the unfunded vested liabilities of the plan transferred are less than $500,000 at the time of the transfer, the transferor would have no contingent liabilities regardless of the transferor's size, and (2) PBGC would promulgate regulations eliminating or reducing the transferors' contingent liabilities when such an action does not increase risk of the PBGC. (For example, when the transferee is financially "stronger" than the transferor.)

We also recommend that the liability of the transferor (upon a transferee's termination of a transferred plan) be equal to the amount of the unfunded guaranteed benefits of the plan at the time of the transfer, less amounts collected from the transferee upon termination. Finally, we recommend that transferors amortize over 15 years the unfunded guaranteed benefits in excess of amounts collected from transferees upon plan termination.

(4) Minimum funding waivers

ERISA permits the Internal Revenue Service (IRS) to waive all or part of the minimum funding requirements for a year and to require instead that the waived amount be amortized over 15 years. IRS now has complete discretion to waive the minimum funding requirements, however PBGC inherits these waivers as liabilities if the employer later terminates the plan.

RECOMMENDATION

Amend Title IV so that IRS and the PBGC share authority over the hardship waiver. The IRS would retain the authority to grant a waiver but PBGC should be allowed to place conditions on the waiver, such as a lien for the PBGC.

(5) Privatization

There are increasing reasons to question whether the insurance programs performed by the PBGC should be retained in the public sector. It may be more efficient for the functions of the PBGC to be absorbed by the private insurance industry after elimination of the existing PBGC deficit.

RECOMMENDATION

Propose a congressionally mandated feasibility study of privatization. The study should be completed within two year.

(6) Premium structure

With each premium increase, the flat rate premium becomes increasingly more inequitable for employers with well-funded plans.

RECOMMENDATION

Amend Title IV of ERISA so that PBGC extends its present study of a variable premium structure. The study would be completed within two years. At that point a report would be made to Congress that suggests a specific variable rate structure and its feasibility and desirability.

I hope that the preceding discussion of the issues relating to single employer pension legislation will assist you in your efforts to produce legislation in this area. The Administration is hoping that legislative action will proceed as soon as possible so that the current problems of single employer plan termination can be resolved.

Sincerely,

RAYMOND J. DONOVAN.

U.S. DEPARTMENT OF LABOR,
SECRETARY OF LABOR,
Washington, D.C., April 12, 1983.

Hon. DONALD L. NICKLES,
Chairman, Subcommittee on Labor, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: On March 9, 1983, I sent you a letter discussing the Administration's views on single employer pension plan termination insurance legislation. The letter outlined detailed rules to deal with the complex and troublesome issues that arise in this area. We understand that the discussion of the liability of a terminating employer of an insufficient plan on page two of our letter (paragraph (3) under the first recommendation) may have caused some confusion regarding application of the 30 percent of net worth limit.

As we indicated, an employer who terminates his plan upon agreement with the Pension Benefit Guaranty Corporation (PBGC) is liable for the full unfunded guaranteed benefits. This is true whether or not the unfunded benefits exceed 30 percent of the employer's net worth. The intent of the Administration's recommendation is to allow the PBGC to collect from an ongoing employer 30 percent of net worth as employer liability and unpaid contributions as under current law; in addition, however, the PBGC would be able to negotiate a profits interest for any remaining unfunded guaranteed benefits. Thus, the phrase "(not to exceed 30 percent of net worth)" should be deleted from the referenced paragraph. We hope this clears up any confusion over this issue.

We would also note that the Administration continues to believe, as it did last Congress, that a premium increase to $6 for plan years commencing on or after January 1, 1983, is essential for the PBGC to eliminate its $333 million deficit in a reasonable period of time and become funded in a fiscally prudent manner. Any bill amending the single employer termination insurance provisions must include such an increase.

We look forward to working with you to remedy the problems faced by the single employer termination insurance program.

Sincerely,

RAYMOND J. DONOVAN.●

By Mr. PRESSLER:

S.J. Res. 95. A joint resolution declaring the support of the United States Soccer Federation to bring the World Cup to the United States in 1986, designating the Secretary of Commerce as the official representative of the U.S. Government to the Federation Internationale de Football Association, and for other purposes; to the Committee on Commerce, Science and Transportation.

1986 WORLD CUP SOCCER TOURNAMENT

● Mr. PRESSLER. Mr. President, I am today introducing a joint resolution regarding the 1986 World Cup soccer tournament. This resolution is similar to one I introduced earlier and which has been reported by the Commerce Committee, Senate Joint Resolution 69. However, in the interest of quick action on this matter I have decided to introduce a version of my original resolution which is identical to a corresponding House resolution, House Joint Resolution 219. The full House passed this resolution earlier in the week and we should be receiving it in the Senate shortly.

My reason for expediting consideration of this resolution is that urgent efforts are being undertaken to convince the International Soccer Federation that the United States would be a suitable host country for the 1986 World Cup tournament. As chairman of the Subcommittee on Business, Trade and Tourism, I am in strong support of these efforts.

Designation of the United States as host country would give a major boost to not only the development of soccer at all levels, but it would also be a major attraction for international travelers. As we have so often heard in testimony before my subcommittee, the economic and social benefits to the United States which stem from international tourism cannot be over emphasized.

Tourism is now our second largest retail industry in the United States. It provides employment for over 6 million people and contributes many billions of tax dollars to local, State and Federal coffers. In addition, the expenditures of international travelers provide us with some $12 billion in foreign trade income each year. This is our fourth largest single source of foreign trade revenue.

It is imperative that increased tourism be permitted to play an important part in our growing economic recovery. The 1984 World's Fair in New Orleans and the 1984 Olympics in Los Angeles will create thousands of jobs. The 1986 World Cup soccer tournament has the potential to do the same. For this reason I stress the importance of our efforts to have the United States designated as host country for the event, and I ask my colleagues to join me in supporting this joint resolution which lends additional substance to the claim of the United States that we would be a fitting and proper host for the tournament.●

By Mr. DECONCINI (for himself, Mr. PROXMIRE, Mr. DIXON, Mr. HOLLINGS, Mr. BOSCHWITZ, Mr. SASSER, Mr. LUGAR, Mr. WILSON, Mr. DOMENICI, Mr. BENTSEN, Mr. PRESSLER, Mr. HEFLIN, Mr. QUAYLE, Mr. INOUYE, Mr. PELL, Mr. COHEN, Mr. HEINZ, Mr. GRASSLEY, Mr. BUMPERS, Mr. EXON, Mr. GORTON, Mr. BOREN, Mr. ARMSTRONG, Mr. NICKLES, Mr. ROTH, Mr. DOLE, and Mr. LEAHY):

S.J. Res. 96. Joint resolution to designate August 1, 1983, as "Helsinki Human Rights Day"; to the Committee on the Judiciary.

HELSINKI HUMAN RIGHTS DAY

Mr. DECONCINI. Mr. President, I am privileged to introduce today a joint resolution that authorizes and requests the President of the United States to designate August 1, 1983, as "Helsinki Human Rights Day."

The purpose of this resolution is simple. It sets aside a specific day to recognize the plight of thousands of citizens, particularly in the Soviet Union and its satellites, in their pursuit of fundamental rights guaranteed by the Helsinki accords. Their cause is a significant one. We are all members of the human family, and so long as any member of that family does not enjoy full human dignity and rights, none of us is truly free. While men and women are oppressed in other lands, our freedom is only partial. But so long as we defend the freedom of all men, the tyranny under which they live is mitigated.

In agreeing to the Helsinki accords, the signatory nations have acknowledged their adherence to the principles of freedom. Not, perhaps, to the sophisticated modes of parliamentary democracy, but to the basic rights of citizens to emigrate, to be reunited

with their families and to enjoy at least the minimal respect by their government of their individuality and personal worth. In the contemporary world where governments seek the respect and recognition of other nations, this is the least we can demand.

Soviet emigration policy, especially in the case of minorities, exemplifies the individual, cultural, and religious repression that the Soviet regime imposes on many of its citizens. Because they have been denied the right to speak, the right to publish freely, the right to freedom of expression, and above all the right to freely practice their religion, many Soviet citizens have felt compelled to apply for emigration visas. However, the emigration process itself is demoralizing. It is unpredictable and arbitrary, and becomes for many a futile, nightmarish experience. Applicants systematically are demoted or fired from their jobs, watched, followed, harassed, interrogated, searched, silenced by being sent to psychiatric hospitals, and ultimately imprisoned or banished to Siberia to hard labor camps.

In recent years the rate of emigration from the Soviet Union has dramatically declined. For example, only 2,688 Jews were allowed to emigrate in 1982 as compared with 51,320 in 1979. These statistics are alarming and are in direct contravention to the Helsinki accords.

We cannot, it is true, enforce the Helsinki agreement; it does not have the force of international law. But it is a moral document and we, as a free society, have an obligation to express our outrage and concern when individuals are continually harassed for no legitimate reason.

By proclaiming August 1, 1983, the eighth anniversary of the signing of the Helsinki accords, as "Helsinki Human Rights Day," we are reaffirming our commitment to the principles upon which our own democracy was founded. We are sending a message to the signatory nations, particularly the Soviet Union and its satellites, that we expect them to live up their international agreements.

Mr. President, I urge each Member of this body to let his commitment be known. As John Kennedy so eloquently stated in his inaugural address:

> Let every nation know, whether it wishes us well or ill, that we shall pay any price, bear any burden, meet any hardship, support any friend, oppose any foe to assure the survivial and the success of liberty.

Mr. President, I ask unanimous consent that the text of the resolution be printed in the RECORD at this point.

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

S.J. RES. 96

Whereas August 1, 1983, will be the eighth anniversary of the signing of the Final Act of the Conference on Security and Cooperation in Europe (hereafter in this preamble referred to as the "Helsinki Accords");

Whereas the Helsinki Accords express the desire of the participating States to "respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief, for all without distinction as to race, sex, language or religion";

Whereas the Helsinki Accords also express the commitment of the participating States to "facilitate freer movement and contacts, individually and collectively, whether privately or officially, among persons, institutions and organizations of the participating States, and to contribute to the solution of the humanitarian problems that arise in that connection";

Whereas the Helsinki Accords specify that the participating States will "deal in a positive and humanitarian spirit with the applications of persons who wish to be reunited with members of their family" and will "deal with applications in this field as expeditiously as possible";

Whereas the Helsinki Accords also state that the participating States will facilitate travel by citizens of such States for both personal and professional reasons and that for this purpose such States will simplify exit and entry procedures;

Whereas the Government of the Union of Soviet Socialist Republics, in agreeing to the Helsinki Accords, has acknowledged an adherence to the principles of freedom and to the basic human rights of citizens to emigrate, to be reunited with their families, and to enjoy at least minimal governmental respect for their individuality and human worth;

Whereas the Soviet Government has not fulfilled its commitment to the Helsinki Accords by denying individuals inherent rights to freedom of religion, thought, conscience, and emigration;

Whereas the governments of the Soviet Union and its satellites have increased the difficulties faced by citizens who wish to reunite with family members in other countries, resulting in a drastic decline in recent emigration figures;

Whereas Jews, Ukrainians, Balts, Byelorussians, Armenians, Georgians, and members of other nationalities in the Soviet Union are persecuted and often imprisoned for attempts to celebrate their national heritage, to practice their religion, to express freely their opinions, to emigrate, or to monitor Soviet Government compliance with the provisions of the Helsinki Accords;

Whereas the satellite nations of the Soviet Union have increased repression against labor union members, peace activists, religious and political dissenters, and others desiring to emigrate; and

Whereas the denial of fundamental rights by the Soviet Government is a threat to peace throughout the world: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) August 1, 1983, the eighth anniversary of the signing of the Final Act of the Conference on Security and Cooperation in Europe, is designated as "Helsinki Human Rights Day";

(2) the President is authorized and requested to issue a proclamation reasserting the American commitment to full implementation of the human rights and humanitarian provisions of the Helsinki Accords, urging all signatory nations, particularly the Soviet Union and its satellites, to abide by their obligations under the Helsinki Accords, and encouraging the people of the United States to join the President and Congress in observance of "Helsinki Human Rights Day" with appropriate programs, ceremonies, and activities; and

(3) the President is further requested to continue his efforts to achieve full implementation of the human rights and humanitarian provisions of the Helsinki Accords by raising the issue of noncompliance with authorities of the Soviet Union and East European countries at every available opportunity.

SEC. 2. The Secretary of the Senate is directed to transmit copies of this joint resolution to the President, the Secretary of State, and the Ambassadors of the thirty-four Helsinki signatory nations.

Mr. PELL. Mr. President, August 1, 1983, will be the eighth anniversary of the signing of the Final Act of the Conference on Security and Cooperation in Europe, commonly known as the Helsinki Final Act. As a member and former Cochairman of the Commission on Security and Cooperation in Europe (the Helsinki Commission), I am pleased to join Senator DECONCINI in sponsoring this resolution to designate this day as "National Human Rights Day."

The Final Act was the culmination of nearly 2 years of negotiations between the United States, Canada, the Soviet Union, and every European nation except Albania. While the act covers nearly every aspect of East-West relations—military security, trade and economic cooperation, scientific and cultural exchange—the provisions that have received the most attention in the West and, sadly, the least implementation in the East, are those dealing with human rights and humanitarian issues. The 35 signatories agreed to respect human rights, to facilitate the freer movement of people, especially for family reunification and binational marriage, to disseminate information of all kinds, and to guarantee religious freedom. Yet, the Soviet Government imprisons human rights activists, denies Jews and others the right to join their relatives abroad, forces spouses to undergo life-threatening fasts in order to be reunited with their loved ones, jams Western radio broadcasts, and severely restricts the exercise of religious rights. Many of the Warsaw Pact nations, especially Czechoslovakia, Romania, East Germany, and more recently, Poland—have followed the Soviet example of repression.

As a founding member of the U.S. Helsinki Commission, I have had the opportunity to witness firsthand the expectations of the people of Europe, both East and West, that were generated by the signing of the Final Act. Those expectations have not been fully realized and, tragically, in some cases, those hopes have been dashed completely. Nevertheless, we cannot abandon either the Helsinki process or

our own deep commitment to obtain basic human rights and fundamental freedoms for the people of the Soviet Union and Eastern Europe.

By designating August 1 as "National Human Rights Day," we can once again demonstrate our dedication to the Helsinki process and our support for the brave men and women such as Vaclav Havel, Anatoly Shcharansky, Ida Nudel, and Lech Walesa, to name only a few, who are struggling courageously and selflessly to force the Soviet and Eastern European governments to fulfill obligations undertaken in the area of human rights. We can show that we will not stand by silently while the Soviet Union tries to halt Jewish emigration, while the Czechoslovak Government persecutes Catholics who seek to practice their religion freely, while Romania imposes exorbitant exit taxes on would-be emigrants, and Poland continues to stamp out the spirit of Solidarity. We will speak out again and again until the Soviet Union and its Warsaw Pact allies fulfill their commitment on human rights and fundamental freedoms and come to understand that there can be no real peace or genuine security without respect for the rights of man.

ADDITIONAL COSPONSORS

S. 474

At the request of Mr. COCHRAN, the name of the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 474, a bill to amend title 18, United States Code, to provide for the protection of Government witnesses in criminal proceedings.

S. 508

At the request of Mr. LAXALT, the name of the Senator from Texas (Mr. BENTSEN) was added as a cosponsor of S. 508, a bill to exempt entities receiving financial assistance from the Rural Electrification Administration from fees under the Federal Land Policy and Management Act of 1976.

S. 593

At the request of Mr. DENTON, his name was added as a cosponsor of S. 593, a bill to amend the Federal Meat Inspection Act and the Poultry Products Inspection Act to permit distribution of certain State-inspected meat and poultry products, and for other purposes.

S. 654

At the request of Mr. WALLOP, the names of the Senator from Texas (Mr. BENTSEN) and the Senator from Montana (Mr. BAUCUS) were added as cosponsors of S. 654, a bill to amend the Internal Revenue Code of 1954 to treat deductions for research and experimental expenses attributable to activities conducted in the United States as allocable to income from sources within the United States.

S. 691

At the request of Mr. MATSUNAGA, the name of the Senator from Montana (Mr. MELCHER) was added as a cosponsor of S. 691, a bill to amend title 38, United States Code, to establish a new veterans' educational assistance program and a veterans' supplemental educational assistance program, and for other purposes.

S. 746

At the request of Mr. PERCY, the name of the Senator from Pennsylvania (Mr. HEINZ) was added as a cosponsor of S. 746, a bill to establish the Illinois and Michigan Canal National Heritage Corridor in the State of Illinois, and for other purposes.

S. 764

At the request of Mr. WARNER, the names of the Senator from Montana (Mr. BAUCUS) and the Senator from Connecticut (Mr. WEICKER) were added as cosponsors of S. 764, a bill to assure the continued protection of the traveling public in the marketing of air transportation, and for other purposes.

S. 843

At the request of Mr. COCHRAN, the name of the Senator from Nebraska (Mr. ZORINSKY) was added as a cosponsor of S. 843, a bill to amend the Agricultural Act of 1949 to authorize the Secretary of Agriculture to make payments to reimburse producers for the cost of applying approved conservation practices to acreage diverted under an acreage limitation program for the 1982 through 1985 crops of wheat, feed grains, upland cotton, rice, and soybeans.

S. 905

At the request of Mr. EAGLETON, the names of the Senator from Illinois (Mr. PERCY), the Senator from Florida (Mr. CHILES), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from New Mexico (Mr. BINGAMAN) were added as cosponsors of S. 905, a bill entitled the "National Archives and Records Administration Act of 1983."

S. 1018

At the request of Mr. ARMSTRONG, the name of the Senator from Colorado (Mr. HART) was added as a cosponsor of S. 1018, a bill to rename the Consolidated Space Operations Center in Colorado Springs the "Jack Swigert Space Center."

S. 1025

At the request of Mr. HATFIELD, the name of the Senator from Wyoming (Mr. SIMPSON) was added as a cosponsor of S. 1025, a bill to establish in the Federal Government a global foresight capability with respect to natural resources, the environment, and population; to establish a national population policy; to establish an interagency Council on Global Resources, Environment, and Population, and for other purposes.

S. 1026

At the request of Mr. MOYNIHAN, the name of the Senator from Massachusetts (Mr. TSONGAS) was added as a cosponsor of S. 1026, a bill to provide for national public improvements.

S. 1121

At the request of Mr. COCHRAN, the names of the Senator from Nevada (Mr. HECHT), the Senator from Montana (Mr. MELCHER), the Senator from North Carolina (Mr. HELMS), and the Senator from Utah (Mr. GARN) were added as cosponsors of S. 1121, a bill to repeal the national maximum speed limit for motor vehicles.

S. 1171

At the request of Mr. HEINZ, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 1171, a bill to authorize and direct construction of certain navigation projects of critical national and regional importance, to provide jobs during construction, to foster and encourage economic revitalization and increased employment opportunities through provision of efficient, economical, and dependable inland waterway transportation, and to provide for coordinated use and enhancement of the upper Mississippi River system.

S. 1194

At the request of Mr. DANFORTH, the names of the Senator from Idaho (Mr. SYMMS) and the Senator from Rhode Island (Mr. CHAFEE) were added as cosponsors of S. 1194, a bill to amend the Internal Revenue Code of 1954 to encourage the contribution of scientific equipment to elementary and secondary schools and institutions of higher education and to foster university research and scientific training.

SENATE JOINT RESOLUTION 61

At the request of Mr. ANDREWS, the names of the Senator from Louisiana (Mr. JOHNSTON), the Senator from Connecticut (Mr. WEICKER), the Senator from Rhode Island (Mr. PELL), the Senator from Michigan (Mr. LEVIN), the Senator from Arizona (Mr. DECONCINI), the Senator from Arizona (Mr. GOLDWATER), the Senator from Washington (Mr. GORTON), and the Senator from Rhode Island (Mr. CHAFEE) were added as cosponsors of Senate Joint Resolution 61, a joint resolution to designate the week of May 22, 1983, through May 28, 1983, as "National Digestive Diseases Awareness Week."

SENATE JOINT RESOLUTION 68

At the request of Mr. SPECTER, the name of the Senator from Alaska (Mr. MURKOWSKI) was added as a cosponsor of Senate Joint Resolution 68, a joint resolution to authorize and request the President to designate July 16, 1983, as "National Atomic Veterans' Day."

SENATE JOINT RESOLUTION 75

At the request of Mr. SYMMS, the names of the Senator from Nevada

(Mr. LAXALT), the Senator from Arizona (Mr. DECONCINI), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Ohio (Mr. GLENN), the Senator from Washington (Mr. GORTON), the Senator from Minnesota (Mr. DURENBERGER), the Senator from Massachusetts (Mr. TSONGAS), the Senator from Wisconsin (Mr. KASTEN), the Senator from Florida (Mrs. HAWKINS), and the Senator from Arkansas (Mr. BUMPERS) were added as cosponsors of Senate Joint Resolution 75, a joint resolution to provide for the designation of June 12 through 18, 1983 as "National Scleroderma Week."

SENATE JOINT RESOLUTION 92

At the request of Mrs. HAWKINS, the names of the Senator from Florida (Mr. CHILES), the Senator from New York (Mr. D'AMATO), the Senator from Minnesota (Mr. BOSCHWITZ), the Senator from Louisiana (Mr. JOHNSTON), the Senator from New York (Mr. MOYNIHAN), the Senator from Alabama (Mr. HEFLIN), the Senator from Idaho (Mr. SYMMS), the Senator from Vermont (Mr. LEAHY), the Senator from Hawaii (Mr. INOUYE), the Senator from North Carolina (Mr. HELMS), the Senator from Indiana (Mr. LUGAR), and the Senator from Hawaii (Mr. MATSUNAGA) were added as cosponsors of Senate Joint Resolution 92, a joint resolution designating the week beginning May 8, 1983, as "Municipal Clerk's Week."

SENATE JOINT RESOLUTION 94

At the request of Mr. MATTINGLY, the name of the Senator from Arizona (Mr. DECONCINI) was added as a cosponsor of Senate Joint Resolution 94, a joint resolution to authorize and request the President to designate May 8, 1983, to June 19, 1983, as "Family Reunion Month."

SENATE CONCURRENT RESOLUTION 24

At the request of Mrs. HAWKINS, the names of the Senator from Alaska (Mr. MURKOWSKI) and the Senator from Wyoming (Mr. WALLOP) were added as cosponsors of Senate Concurrent Resolution 24, a concurrent resolution expressing the sense of the Congress that the people of the United States should observe the month of May 1983 as Older Americans Month.

SENATE CONCURRENT RESOLUTION 30

At the request of Mr. BAUCUS, the name of the Senator from Montana (Mr. MELCHER) was added as a cosponsor of Senate Concurrent Resolution 30, a concurent resolution to reject the medicare cuts contained in the President's fiscal year 1984 budget.

SENATE RESOLUTION 126

At the request of Mr. WALLOP, the name of the Senator from Oklahoma (Mr. NICKLES) was added as a cosponsor of Senate Resolution 126, a resolution to express the sense of the Senate that the changes in the Federal estate tax laws made by the Economic Recovery Tax Act of 1981 should not be modified.

SENATE CONCURRENT RESOLUTION 31—OPPOSING THE POLICY OF FORCED LABOR IN THE SOVIET UNION

Mr. ARMSTRONG submitted the following concurrent resolution, which was referred to the Committee on Foreign Relations:

S. CON. RES. 31

Whereas international law in this century has recognized that everyone has the right to liberty and security of person, and has repeatedly condemned the use of forced or compulsory labor;

Whereas on February 9, 1983, the United States Department of State documented that the Government of the Union of Soviet Socialist Republics operates the largest forced-labor system in the world, comprising some one thousand one hundred forced-labor camps, and that this system "gravely infringes internationally recognized fundamental human rights";

Whereas the United States Department of State has estimated that the Soviet system "includes an estimated four million forced laborers, of whom at least ten thousand are considered to be political and religious prisoners";

Whereas the International Commission on Human Rights, following a hearing in Bonn on November 18 and 19, 1982, concluded that the Union of Soviet Socialist Republics "continues the deplorable practice of forced labor in manufacturing and construction projects" and that prisoners, "among them women and children, are forced to work under conditions of extreme hardship including malnutrition, inadequate shelter and clothing, and severe discipline";

Whereas for nearly thirty years the International Labor Organization has investigated allegations concerning forced labor in the Union of Soviet Socialist Republics, and that the Soviet authorities have refused to provide responses satisfactory to the International Labor Organization or to open their entire forced-labor system to impartial international investigation;

Whereas through these repressive policies the Union of Soviet Socialist Republics has failed to fulfill its solemn undertakings as a signatory of the Helsinki Accords, the United Nations Charter, the Universal Declaration of Human Rights, and Anti-Slavery Convention of 1926, as well as the Soviet Constitution; and

Whereas the continued violations of human rights by the Union of Soviet Socialist Republics, and in particular the use of forced labor, are factors that contribute to world tension and create concern about the validity of the international commitments of the Soviet Union: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the policies of forced labor are morally reprehensible, and that the President, at every opportunity and in the strongest terms, should express to the Government of the Union of Soviet Socialist Republics the opposition of the United States to these reprehensible policies, and that they cease these practices and honor the international commitments agreed upon.

SENATE RESOLUTION 131—WAIVING SECTION 402(a) OF THE BUDGET ACT

Mr. PERCY, from the Committee on Foreign Relations, reported the following original resolution; which was referred to the Committee on the Budget.

S. RES. 131

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 639, the "Lebanon Emergency Assistance Act of 1983," a bill to authorize supplemental assistance to aid Lebanon for fiscal year 1983.

Such a waiver is necessary to allow the authorization of $150,000,000 in additional budget authority for fiscal year 1983, which will be available until expended, for the purpose of providing economic assistance to Lebanon for the rebuilding of its economy, and $1,000,000 for military training under the provisions of chapter 5 of part II of the Foreign Assistance Act. The administration has requested an additional $151,000,000 in budget authority for this purpose.

Compliance with section 402(a) of the Congressional Budget Act of 1974 was not possible by May 15, 1982, because the circumstances that required and enabled the funding did not exist at the time.

The effect of defeating consideration of the supplemental authorization will be a disruption and delay of the United States assistance to Lebanon's reconstruction.

The desired authorization will not delay the appropriations process and will need to be accommodated in a supplemental appropriation.

SENATE RESOLUTION 132—RECOGNIZING SMALL BUSINESS WEEK

Mr. BAKER (for Mr. WEICKER) (for himself, Mr. NUNN, Mr. ABDNOR, Mr. ANDREWS, Mr. BAUCUS, Mr. BENTSEN, Mr. BINGAMAN, Mr. BOREN, Mr. BOSCHWITZ, Mr. BRADLEY, Mr. BUMPERS, Mr. BURDICK, Mr. BYRD, Mr. CHILES, Mr. COCHRAN, Mr. COHEN, Mr. CRANSTON, Mr. D'AMATO, Mr. DIXON, Mr. DODD, Mr. DOLE, Mr. DOMENICI, Mr. DURENBERGER, Mr. EAGLETON, Mr. EAST, Mr. FORD, Mr. GARN, Mr. GLENN, Mr. GOLDWATER, Mr. GORTON, Mr. HART, Mr. HATCH, Mrs. HAWKINS, Mr. HEFLIN, Mr. HEINZ, Mr. HELMS, Mr. HOLLINGS, Mr. HUDDLESTON, Mr. JEPSEN, Mr. JOHNSTON, Mrs. KASSEBAUM, Mr. KASTEN, Mr. KENNEDY, Mr. LAUTENBERG, Mr. LAXALT, Mr. LEAHY, Mr. LEVIN, Mr. LUGAR, Mr. MCCLURE, Mr. MELCHER, Mr. METZENBAUM, Mr. MITCHELL, Mr. MOYNIHAN, Mr. MURKOWSKI, Mr. NICKLES, Mr. PACKWOOD, Mr. PELL, Mr. PERCY, Mr. PRESSLER, Mr. PROXMIRE, Mr. PRYOR, Mr. QUAYLE, Mr. RANDOLPH, Mr. RIEGLE, Mr. RUDMAN, Mr. SARBANES, Mr. SASSER, Mr. SPECTER, Mr. STAFFORD, Mr. STENNIS, Mr. STEVENS, Mr. TSONGAS, Mr. WALLOP, Mr. WILSON, Mr. ZORINSKY, Mr. CHAFEE, Mr. DANFORTH, and Mr. EXON) submitted the follow-

ing resolution, which was ordered placed on the calendar:

S. RES. 132

Whereas small and independent businesses represent 97 percent of all business in this country and are the driving force of the American economy and the mainstay of our free enterprise system;

Whereas small business is responsible for creating most new employment opportunities and accounts for approximately 40 percent of the gross national product;

Whereas small businesses have substantially maintained employment levels during difficult economic conditions;

Whereas small business originates 50 percent of all major innovations and new technologies and brings these new innoviations to market quickly;

Whereas the President has previously issued a proclamation designating the week of May 8, 1983, through May 14, 1983, as "Small Business Week": Now, therefore, be it

Resolved, That the Senate recognizes the achievements and contributions which small business men and women have made to American society, and urges the people of the United States and interested groups and organizations to observe the week of May 8, 1983, through May 14, 1983, as "Small Business Week" with appropriate programs, ceremonies, and activities.

SENATE RESOLUTION 133—SUPPORTING SOLIDARITY SUNDAY

Mr. BYRD (for Mr. MOYNIHAN) (for himself, Mr. D'AMATO, Mr. BAUCUS, Mr. BENTSEN, Mr. BOREN, Mr. BOSCHWITZ, Mr. BRADLEY, Mr. BYRD, Mr. CHILES, Mr. COHEN, Mr. CRANSTON, Mr. DANFORTH, Mr. DIXON, Mr. DOLE, Mr. GARN, Mr. GLENN, Mr. GRASSLEY, Mr. HECHT, Mr. HEINZ, Mr. HOLLINGS, Mr. INOUYE, Mr. JACKSON, Mr. JEPSEN, Mr. JOHNSTON, Mrs. KASSEBAUM, Mr. LEVIN, Mr. LUGAR, Mr. METZENBAUM, Mr. NICKLES, Mr. PELL, Mr. PERCY, Mr. PRESSLER, Mr. PROXMIRE, Mr. QUAYLE, Mr. RIEGLE, Mr. SARBANES, Mr. SASSER, Mr. SYMMS, and Mr. TSONGAS) submitted the following resolution, which was ordered placed on the calendar:

S. RES. 133

Whereas on May 22, 1983, the eighty-five constituent agencies of the Greater New York Conference on Soviet Jewry will sponsor the twelfth annual "Solidarity Sunday for Soviet Jewry" to reaffirm their resolve to secure freedom for Soviet Jews and beleaguered people everywhere; and

Whereas Americans of all faiths will join with the Conference in myriad activities on that day in expression of their solidarity with the almost three million Jews in the Soviet Union; and

Whereas the right to emigrate freely and to be reunited with their families abroad is being denied Jews and others in the Soviet Union; and

Whereas the Universal Declaration of Human Rights adopted by the General Assembly of the United Nations and the Helsinki Final Act clearly recognize those rights; and

Whereas the Government of the Soviet Union has implemented restrictive measures sharply reducing the number of people permitted to emigrate, bringing Jewish emigration from the soviet Union to a virtual halt; and

Whereas the Government of the Soviet Union is persecuting its Jewish citizens and denying them even those rights and privileges accorded other recognized religions in the Soviet Union; and

Whereas the Government of the Soviet Union discriminates against Jewish cultural activities by banning and suspending Hebrew and Jewish cultural classes, by threatening Hebrew teachers, and by intimidating all Soviet Jews who seek only to practice their religion; and

Whereas leading Soviet Jewish activist and cultural figure, Mr. Anatoly Shcharansky, who was arrested in March of 1977 and falsely charged with espionage and "anti-Soviet agitation", continues to suffer exceptionally harsh treatment in Chistopol prison; and

Whereas a virulent anti-Semitic campaign continues unabated in the Soviet press and Soviet Jews are increasingly deprived of occupational and educational opportunities; and

Whereas thousands of innocent jews and other persons, after applying to leave the Soviet Union, have been subjected to illegal induction into the armed forces, incarceration in mental institutions, expulsion from school and constant surveillance and harassment; and

Whereas the Government of the Soviet Union will not succeed in isolating Soviet Jews from their friends in the free world so long as those who cherish liberty continue to speak on behalf of beleaguered people everywhere; and

Whereas "Solidarity Sunday for Soviet Jewry" will serve as a vigorous expression of American determination to secure freedom for Soviet Jewish Prisoners of Conscience incarcerated solely because of their desire to emigrate, and veteran refuseniks who have awaited exit visas for as many as fourteen years; and

Whereas the Government of the Soviet Union refuses to permit the free exercise of religious beliefs and cultural expression and also refuses to remove all obstacles to the free emigration of its Jewish citizens and others who wish to leave and live in other countries: Now, therefore, be it

Resolved, That it is the sense of the Senate that the Congress supports "Solidarity Sunday for Soviet Jewry" in an effort to achieve these goals and encourages Americans to participate.

AMENDMENTS SUBMITTED

FIRST CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1984

HUDDLESTON AMENDMENT NO. 1233

Mr. HUDDLESTON proposed an amendment to the concurrent resolution (S. Con. Res. 27) revising the congressional budget for the U.S. Government for the fiscal year 1983 and setting forth the congressional budget for the U.S. Government for the fiscal years 1984, 1985, and 1986, as follows:

On page 3, increase the figure on line 13 by $250,000,000.

On page 3, increase the figure on line 19 by $250,000,000.

On page 4, increase the figure on line 1 by $250,000,000.

On page 4, increase the figure on line 7 by $250,000,000.

On page 4, increase the figure on line 8 by $250,000,000.

On page 4, increase the figure on line 9 by $250,000,000.

On page 4, increase the figure on line 14 by $250,000,000.

On page 10, increase the figure on line 9 by $250,000,000.

On page 10, increase the figure on line 10 by $250,000,000.

METZENBAUM AMENDMENT NO. 1234

Mr. METZENBAUM (for himself, Mr. LEVIN, Mr. RIEGLE, and Mr. CRANSTON) proposed an amendment to the concurrent resolution (S. Con. Res. 27) supra, as follows:

On page 3, increase the figure on line 12 by $480,000,000.

On page 3, increase the figure on line 13 by $1,070,000,000.

On page 3, increase the figure on line 14 by $1,690,000,000.

On page 3, increase the figure on line 15 by $1,730,000,000.

On page 3, increase the figure on line 18 by $1,000,000,000.

On page 3, increase the figure on line 19 by $2,120,000,000.

On page 3, increase the figure on line 20 by $3,290,000,000.

On page 3, increase the figure on line 21 by $3,490,000,000.

On page 3, increase the figure on line 25 by $1,000,000,000.

On page 4, increase the figure on line 1 by $2,120,000,000.

On page 4, increase the figure on line 2 by $3,290,000,000.

On page 4, increase the figure on line 3 by $3,490,000,000.

On page 4, increase the figure on line 6 by $1,000,000,000.

On page 4, increase the figure on line 7 by $3,120,000,000.

On page 4, increase the figure on line 8 by $6,410,000,000.

On page 4, increase the figure on line 9 by $9,900,000,000.

On page 4, increase the figure on line 13 by $1,000,000,000.

On page 4, increase the figure on line 14 by $2,120,000,000.

On page 4, increase the figure on line 15 by $3,290,000,000.

On page 4, increase the figure on line 16 by $3,490,000,000.

On page 19, increase the figure on line 2 by $450,000,000.

On page 19, increase the figure on line 3 by $970,000,000.

On page 19, increase the figure on line 10 by $900,000,000.

On page 19, increase the figure on line 11 by $1,950,000,000.

On page 19, increase the figure on line 18 by $1,300,000,000.

On page 19, increase the figure on line 19 by $2,900,000,000.

On page 20, increase the figure on line 2 by $1,100,000,000.

On page 20, increase the figure on line 3 by $2,860,000,000.

On page 25, increase the figure on line 6 by $30,000,000.

On page 25, increase the figure on line 7 by $30,000,000.

On page 25, increase the figure on line 11 by $170,000,000.
On page 25, increase the figure on line 12 by $170,000,000.
On page 25, increase the figure on line 17 by $390,000,000.
On page 25, increase the figure on line 18 by $390,000,000.
On page 25, increase the figure on line 23 by $630,000,000.
On page 25, increase the figure on line 24 by $630,000,000.
On page 28, insert before the period on line 8 a comma and "except that the Senate Committee on Finance and the House Committee on Ways and Means shall not submit recommendations by such date to the Committee on the Budget of their respective Houses unless such recommendations contain provisions to amend the Federal-State Extended Unemployment Compensation Act of 1970 as follows:
(1) by adding at the end of section 203(d) the following new sentence: "With respect to compensation for weeks of unemployment beginning on or after July 1, 1983, and before the first week thereafter which begins in a month following a month for which the national total rate of unemployment (as determined by the Bureau of Labor Statistics) is below 6.6 percent, determinations shall be made under this subsection as if paragraph (1) did not contain subparagraph (A) thereof."; and
(2) in section 203(e)(1)(A), by striking out "individuals filing claims for regular compensation" and inserting in lieu thereof "individuals filing claims for compensation (including regular, extended, and sharable regular compensation)" effective for weeks beginning on or after April 9, 1983.

DOLE AMENDMENT NO. 1235

Mr. DOLE (for himself, Mr. DURENBERGER, Mr. HEINZ, Mr. SPECTER, Mr. CHAFEE, Mr. STEVENS, and Mr. QUAYLE) proposed an amendment to the concurrent resolution (S. Con. Res. 27) supra, as follows:

On page 3, line 12, increase the figure by $225,000,000.
On page 3, line 13, increase the figure by $900,000,000.
On page 3, line 14, increase the figure by $675,000,000.
On page 3, line 18, increase the figure by $225,000,000.
On page 3, line 19, increase the figure by $900,000,000.
On page 3, line 20, increase the figure by $675,000,000.
On page 2, line 8, increase the figure by $225,000,000.
On page 2, line 9, increase the figure by $900,000,000.
On page 2, line 10, increase the figure by $675,000,000.
On page 2, line 14, increase the figure by $225,000,000.
On page 2, line 15, increase the figure by $900,000,000.
On page 2, line 16, increase the figure by $675,000,000.
On page 17, line 1, increase the figure by $225,000,000.
On page 17, line 2, increase the figure by $225,000,000.
On page 17, line 8, increase the figure by $900,000,000.
On page 17, line 9, increase the figure by $900,000,000.
On page 17, line 15, increase the figure by $675,000,000.
On page 17, line 16, increase the figure by $675,000,000.

KENNEDY AMENDMENT NO. 1236

Mr. KENNEDY (for himself, Mr. RIEGLE, Mr. METZENBAUM, Mr. EAGLETON, Mr. RANDOLPH, Mr. DODD, Mr. MATSUNAGA, Mr. MOYNIHAN, Mr. SARBANES, and Mr. CRANSTON) proposed an amendment to the Dole amendment No. 1235, to the concurrent resolution (S. Con. Res. 27) supra, as follows:

In lieu of the language proposed to be inserted insert the following:
On page 3, line 12, increase the figure by $930,000,000.
On page 3, line 13, increase the figure by $2,899,000,000.
On page 3, line 14, increase the figure by $3,146,000,000.
On page 3, line 18, increase the figure by $930,000,000.
On page 3, line 19, increase the figure by $2,899,000,000.
On page 3, line 20, increase the figure by $3,146,000,000.
On page 2, line 8, increase the figure by $0.
On page 2, line 9, increase the figure by $0.
On page 2, line 10, increase the figure by $0.
On page 2, line 14, increase the figure by $0.
On page 2, line 15, increase the figure by $0.
On page 2, line 16, increase the figure by $0.
On page 17, line 1, increase the figure by $900,000,000.
On page 17, line 2, increase the figure by $900,000,000.
On page 17, line 8, increase the figure by $2,700,000,000.
On page 17, line 9, increase the figure by $2,700,000,000.
On page 17, line 15, increase the figure by $2,700,000,000.
On page 17, line 16, increase the figure by $2,700,000,000.

HOLLINGS AMENDMENT NO. 1237

Mr. HOLLINGS (for himself, Mr. STAFFORD, Mr. BRADLEY, Mr. PELL, Mr. ANDREWS, Mr. SASSER, Mr. KENNEDY, Mr. BIDEN, Mr. SARBANES, Mr. TSONGAS, Mr. BINGAMAN, Mr. METZENBAUM, Mr. BURDICK, Mr. MATSUNAGA, Mr. RIEGLE, Mr. DODD, Mr. EAGLETON, Mr. HUDDLESTON, Mr. GLENN, Mr. D'AMATO, Mr. CRANSTON, Mr. MOYNIHAN, Mr. HART, Mr. RANDOLPH, Mr. JACKSON, Mr. BYRD, Mr. LEAHY, and Mr. SPECTER) proposed an amendment to the concurrent resolution (S. Con. Res. 27) supra, as follows:

On page 3, beginning with line 10, strike out through line 23 on page 16 and insert in lieu thereof the following:
(2) The appropriate levels of total new budget authority are as follows:
Fiscal year 1983: $875,925,000,000.
Fiscal year 1984: $911,200,000,000.
Fiscal year 1985: $983,966,000,000.
Fiscal year 1986: $1,050,387,000,000.
(3) The appropriate levels of total budget outlays are as follows:
Fiscal year 1983: $807,325,000,000.
Fiscal year 1984: $850,055,000,000.
Fiscal year 1985: $911,833,000,000.
Fiscal year 1986: $965,797,000,000.
(4) The amounts of the deficits in the budget which are appropriate in the light of economic conditions and all other relevant factors are as follows:
Fiscal year 1983: $204,225,000,000.
Fiscal year 1984: $164,455,000,000.
Fiscal year 1985: $149,233,000,000.
Fiscal year 1986: $134,997,000,000.
(5) The appropriate levels of the public debt are as follows:
Fiscal year 1983: $1,384,125,000,000.
Fiscal year 1984: $1,592,355,000,000.
Fiscal year 1985: $1,792,663,000,000.
Fiscal year 1986: $1,985,023,000,000.
and the amounts by which the temporary statutory limits on such debt should be accordingly increased are as follows:
Fiscal year 1983: $93,925,000,000.
Fiscal year 1984: $208,580,000,000.
Fiscal year 1985: $201,313,000,000.
Fiscal year 1986: $194,410,000,000.
(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1982, October 1, 1983, October 1, 1984, and October 1, 1985, are as follows:
Fiscal year 1983:
(A) New direct loan obligations, $55,400,000,000.
(B) New loan guarantee commitments, $94,500,000,000.
Fiscal year 1984:
(A) New direct loan obligations, $48,200,000,000.
(B) New loan guarantee commitments, $94,500,000,000.
Fiscal year 1985:
(A) New direct loan obligations, $48,100,000,000.
(B) New loan guarantee commitments, $97,400,000,000.
Fiscal year 1986:
(A) New direct loan obligations, $48,700,000,000.
(B) New loan guarantee commitments, $101,000,000,000.
(b) The Congress hereby determines and declares the appropriate levels of budget authority and budget outlays, and the appropriate levels of new direct loan obligations and new loan guarantee commitments for fiscal years 1983 through 1986 for each major functional category are:
(1) National Defense (050):
Fiscal year 1983:
(A) New budget authority, $244,100,000,000.
(B) Outlays, $214,300,000,000.
(C) New direct loan obligations, $0.
(D) New loan guarantee commitments, $0.
Fiscal year 1984:
(A) New budget authority, $267,000,000,000.
(B) Outlays, $241,500,000,000.
(C) New direct loan obligations, $0.
(D) New loan guarantee commitments, $0.
Fiscal year 1985:
(A) New budget authority, $299,500,000,000.
(B) Outlays, $270,700,000,000.
(C) New direct loan obligations, $0.
(D) New loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $334,800,000,000.
(B) Outlays, $300,000,000,000.
(C) New direct loan obligations, $0.
(D) New loan guarantee commitments, $0.
(2) International Affairs (150):
Fiscal year 1983:
(A) New budget authority, $24,900,000,000.
(B) Outlays, $11,500,000,000.

(C) New direct loan obligations, $11,700,000,000.
(D) New loan guarantee commitments, $9,200,000,000.
Fiscal year 1984:
(A) New budget authority, $18,200,000,000.
(B) Outlays, $12,700,000,000.
(C) New direct loan obligations, $11,200,000,000.
(D) New loan guarantee commitments, $10,300,000,000.
Fiscal year 1985:
(A) New budget authority, $16,500,000,000.
(B) Outlays, $12,800,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New loan guarantee commitments, $10,300,000,000.
Fiscal year 1986:
(A) New budget authority, $15,900,000,000.
(B) Outlays, $12,800,000,000.
(C) New direct loan obligations, $11,600,000,000.
(D) New loan guarantee commitments, $10,300,000,000.
(3) General Science, Space, and Technology (250):
Fiscal year 1983:
(A) New budget authority, $7,900,000,000.
(B) Outlays, $7,700,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New loan guarantee commitments, $0.
Fiscal year 1984:
(A) New budget authority, $8,500,000,000.
(B) Outlays, $8,200,000,000.
(C) New direct loan obligations, $37,000,000.
(D) New loan guarantee commitments, $0.
Fiscal year 1985:
(A) New budget authority, $8,500,000,000.
(B) Outlays, $8,500,000,000.
(C) New direct loan obligations, $0.
(D) New loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $8,400,000,000.
(B) Outlays, $8,400,000,000.
(C) New direct loan obligations, $0.
(D) New loan guarantee commitments, $0.
(4) Energy (270):
Fiscal year 1983:
(A) New budget authority, $4,000,000,000.
(B) Outlays, $4,600,000,000.
(C) New direct loan obligations, $13,100,000,000.
(D) New loan guarantee commitments, $200,000,000.
Fiscal year 1984:
(A) New budget authority, $3,900,000,000.
(B) Outlays, $4,100,000,000.
(C) New direct loan obligations, $13,900,000,000.
(D) New loan guarantee commitments, $200,000,000.
Fiscal year 1985:
(A) New budget authority, $3,600,000,000.
(B) Outlays, $2,900,000,000.
(C) New direct loan obligations, $14,300,000,000.
(D) New loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $3,200,000,000.
(B) Outlays, $2,700,000,000.
(C) New direct loan obligations, $14,400,000,000.
(D) New loan guarantee commitments, $0.
(5) Natural Resources and Environment (300):
Fiscal year 1983:
(A) New budget authority, $12,500,000,000.
(B) Outlays, $12,800,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New loan guarantee commitments, $0.
Fiscal year 1984:
(A) New budget authority, $12,000,000,000.
(B) Outlays, $12,500,000,000.
(C) New direct loan obligations, $27,000,000.
(D) New loan guarantee commitments, $0.
Fiscal year 1985:
(A) New budget authority, $12,200,000,000.
(B) Outlays, $12,600,000,000.
(C) New direct loan obligations, $27,000,000.
(D) New loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $12,500,000,000.
(B) Outlays, $12,200,000,000.
(C) New direct loan obligations, $27,000,000.
(D) New loan guarantee commitments, $0.
(6) Agriculture (350):
Fiscal year 1983:
(A) New budget authority, $24,200,000,000.
(B) Outlays, $24,000,000,000.
(C) New direct loan obligations, $18,600,000,000.
(D) New loan guarantee commitments, $5,500,000,000.
Fiscal year 1984:
(A) New budget authority, $11,600,000,000.
(B) Outlays, $11,400,000,000.
(C) New direct loan obligations, $12,100,000,000.
(D) New loan guarantee commitments, $3,800,000,000.
Fiscal year 1985:
(A) New budget authority, $14,000,000,000.
(B) Outlays, $12,300,000,000.
(C) New direct loan obligations, $11,700,000,000.
(D) New loan guarantee commitments, $3,800,000,000.
Fiscal year 1986:
(A) New budget authority, $13,200,000,000.
(B) Outlays, $13,100,000,000.
(C) New direct loan obligations, $12,200,000,000.
(D) New loan guarantee commitments, $3,800,000,000.
(7) Commerce and Housing Credit (370):
Fiscal year 1983:
(A) New budget authority, $5,200,000,000.
(B) Outlays, $2,700,000,000.
(C) New direct loan obligations, $6,500,000,000.
(D) New loan guarantee commitments, $48,700,000,000.
Fiscal year 1984:
(A) New budget authority, $5,900,000,000.
(B) Outlays, $1,800,000,000.
(C) New direct loan obligations, $6,400,000,000.
(D) New loan guarantee commitments, $48,700,000,000.
Fiscal year 1985:
(A) New budget authority, $6,500,000,000.
(B) Outlays, $0.
(C) New direct loan obligations, $6,300,000,000.
(D) New loan guarantee commitments, $48,700,000,000.
Fiscal year 1986:
(A) New budget authority, $6,500,000,000.
(B) Outlays, −$300,000,000.
(C) New direct loan obligations, $6,300,000,000.
(D) New loan guarantee commitments, $48,700,000,000.
(8) Transportation (400):
Fiscal year 1983:
(A) New budget authority, $26,800,000,000.
(B) Outlays, $22,100,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New loan guarantee commitments, $1,100,000,000.
Fiscal year 1984:
(A) New budget authority, $27,700,000,000.
(B) Outlays, $25,900,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New loan guarantee commitments, $600,000,000.
Fiscal year 1985:
(A) New budget authority, $28,400,000,000.
(B) Outlays, $26,900,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New loan guarantee commitments, $400,000,000.
Fiscal year 1986:
(A) New budget authority, $29,200,000,000.
(B) Outlays, $27,800,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New loan guarantee commitments, $300,000,000.
(9) Community and Regional Development (450):
Fiscal year 1983:
(A) New budget authority, $8,300,000,000.
(B) Outlays, $7,900,000,000.
(C) New direct loan obligations, $2,100,000,000.
(D) New loan guarantee commitments, $500,000,000.
Fiscal year 1984:
(A) New budget authority, $6,600,000,000.
(B) Outlays, $8,100,000,000.
(C) New direct loan obligations, $1,700,000,000.
(D) New loan guarantee commitments, $300,000,000.
Fiscal year 1985:
(A) New budget authority, $7,100,000,000.
(B) Outlays, $8,200,000,000.
(C) New direct loan obligations, $1,800,000,000.
(D) New loan guarantee commitments, $300,000,000.
Fiscal year 1986:
(A) New budget authority, $7,100,000,000.
(B) Outlays, $7,600,000,000.
(C) New direct loan obligations, $1,800,000,000.
(D) New loan guarantee commitments, $400,000,000.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1983:
(A) New budget authority, $28,000,000,000.
(B) Outlays, $26,800,000,000.
(C) New direct loan obligations, $600,000,000.
(D) New loan guarantee commitments, $6,500,000,000.
Fiscal year 1984:
(A) New budget authority, $32,300,000,000.
(B) Outlays, $27,255,000,000.
(C) New direct loan obligations, $700,000,000.
(D) New loan guarantee commitments, $6,600,000,000.
Fiscal year 1985:
(A) New budget authority, $29,291,000,000.
(B) Outlays, $28,958,000,000.
(C) New direct loan obligations, $700,000,000.
(D) New loan guarantee commitments, $6,600,000,000.
Fiscal year 1986:
(A) New budget authority, $29,387,000,000.
(B) Outlays, $29,197,000,000.
(C) New direct loan obligations, $800,000,000.
(D) New loan guarantee commitments, $6,600,000,000.

RUDMAN AMENDMENT NO. 1238

Mr. RUDMAN (for himself, Mr. DURENBERGER, Mr. ABDNOR, Mr. DOMENICI, and Mr. PRESSLER) proposed an amendment to the concurrent resolution (S. Con. Res. 27) supra, as follows:

On page 3, line 13, strike the number and insert "$910,100,000,000."

On page 3, line 14, strike the number and insert "$982,575,000,000."

On page 3, line 15, strike the number and insert "$1,048,900,000,000."

On page 3, line 19, strike the number and insert "$850,000,000,000."

On page 3, line 20, strike the number and insert "$910,675,000,000."

On page 3, line 21, strike the number and insert "$964,400,000,000."

On page 4, line 1, strike the number and insert "$163,500,000,000."

On page 4, line 2, strike the number and insert "$147,400,000,000."

On page 4, line 3, strike the number and insert "$133,600,000,000."

On page 4, line 7, strike the number and insert "$1,591,300,000,000."

On page 4, line 8, strike the number and insert "$1,789,400,000,000."

On page 4, line 9, strike the number and insert "$1,979,600,000,000."

On page 4, line 14, strike the number and insert "$207,400,000,000."

On page 4, line 15, strike the number and insert "$198,100,000,000."

On page 4, line 16, strike the number and insert "$191,200,000,000."

On page 16, line 4, strike the number and insert "$31,200,000,000."

On page 16, line 5, strike the number and insert "$27,200,000,000."

On page 16, line 11, strike the number and insert "$27,900,000,000."

On page 16, line 12, strike the number and insert "$27,800,000,000."

On page 16, line 18, strike the number and insert "$27,900,000,000."

On page 16, line 19, strike the number and insert "$27,800,000,000."

NOTICES OF HEARINGS

COMMITTEE ON SMALL BUSINESS

Mr. WEICKER. Mr. President, I would like to announce that the Senate Small Business Committee will hold a hearing on S. 1022, a bill to make small businesses owned by American Indian tribes eligible for the SBA 8(a) program, on May 11, 1983, at 2 p.m. in room 428A, Senate Russell Office Building. For further information, please contact Bob Wilson of the committee staff at 224-2130.

Mr. President, I would like to announce that the Senate Small Business Committee will hold a markup on pending legislation dealing with the Small Business Administration's programs, on May 12, 1983, at 9:30 a.m. in room 428A, Senate Russell Office Building. For further information, please contact Mike Haynes of the committee staff at 224-8487.

SUBCOMMITTEE ON LABOR

Mr. NICKLES. Mr. President, the Subcommittee on Labor will hold a hearing on June 6, 1983, at 9:30 a.m., in room SD-430 of the Dirksen Senate Office Building to discuss the Single-Employer Pension Plan Termination Insurance Improvements Act of 1983. Persons wishing to testify should submit written requests to Hon. DON NICKLES, chairman, Subcommittee on Labor, Washington, D.C. 20510. Requests to testify must be submitted no later than May 13, 1983. If you have questions concerning the hearing, please contact Chuck Carroll at 224-5546.

AUTHORITY FOR COMMITTEES TO MEET

SELECT COMMITTEE ON INTELLIGENCE

Mr. BAKER. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Friday, May 6, at 9 a.m., to receive a briefing on intelligence matters.

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

SUBCOMMITTEE ON INTERGOVERNMENTAL AFFAIRS

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on Intergovernmental Affairs of the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Thursday, May 12, at 3 p.m., to hold a hearing to consider transferring authorization for the Catalog of Federal Domestic Assistance.

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

ADDITIONAL STATEMENTS

THE ALASKA HUNTING BILL

● Mr. LEVIN. Mr. President, I encourage all of our colleagues read the following statement by the senior Senator from Washington (Mr. JACKSON), outlining his views of S. 49, the Alaska hunting bill. His statement eloquently warns of the dangers of reopening the debate on Alaska lands. Although Senator JACKSON and I did not agree on all of the issues raised during the consideration of the Alaska National Interest Lands Conservation Act, ANILCA, I certainly support his position on S. 49.

The letter follows:

STATEMENT OF SENATOR HENRY M. JACKSON

Mr. Chairman, while I can appreciate the concerns that generated this legislation, I am going to have to vote against it.

I do this, Mr. Chairman, not because I am opposed to hunting. My record on sportsmen's issues is a good one, and I certainly make no apologies for it. However, the fundamental policy issue raised by this measure is not "Are you for hunting or against hunting?" Rather, the issue is whether the Congress wants to change a land allocation decision made in 1980 after long and careful consideration of competing interests and values. In one sense, it is analogous to any wilderness or park bill where the Congress is asked to make a land-use decision. Competing values must be considered, balanced and, in most instances, a compromise reached. Such a compromise does not necessarily imply that one is opposed to wilderness areas, parks, development, or hunting. The measure before us today is no different. To suggest otherwise does a disservice to its proponents and is grossly unfair to its opponents.

Mr. Chairman, from 1976-1980, this Committee held numerous hearings, workshops, and public meetings on the Alaska lands issue. I had the privilege of chairing all 58 Committee business meetings on this issue. I floor managed the bill in the Senate for 9 days, and I was one of the Senators involved in formulating the final compromise that passed the Senate overwhelmingly and ultimately was adopted by the House. The bill we crafted was not perfect. No group got everything it wanted. But I happen to believe that the balance we struck was fair and reasonable to all parties; and that include those who wanted more lands closed to sport hunting and those who wanted more lands open for that purpose.

The bill was not "pro development," "anti-mining," "proconservationist," or "anti-timber." ANILCA is not "pro" or "anti" anything, and hunting is no exception. We addressed the concerns of sport hunters by creating some 19 million acres of National Preserves. These are lands managed by the National Park Service just like National Parks except sport hunting is permitted. We addressed the concerns of sport hunting by adjusting park boundaries in a number of instances to accommodate sport hunting. We addressed the concerns of sport hunters by adopting a number of special management provisions specifically to facilitate sport hunting. And, we addressed the concerns of sport hunters by opening some 15 million acres to sport hunting that were closed in 1979 as a result of President Carter's actions under the Antiquities Act.

I hope the Committee will keep this firmly in mind as it considers this measure. I hope the Committee will also keep firmly in mind that one cannot pull one strand of a web without disturbing the others.●

THE DITCHLEY BELLS

● Mr. MATHIAS. Mr. President, the great occasions in the future life of the Republic will be punctuated by the sound of bells as the result of a generous gift to the Congress of the United States. A peal of bells similar to those in Westminster Abbey and cast by the same foundry was presented by the Ditchley Foundation to the Congress as a part of the commemoration of the American Bicentennial.

The bells have been hung in the tower of the Old Post Office on Pennsylvania Avenue between the Capitol and the White House and were first officially rung on April 19, 1983, exactly 200 years to the day after the cessation of hostilities in the War of Independence.

The occasion was marked by a 2-day celebration in which Vice President GEORGE BUSH, Speaker of the House TIP O'NEILL, and former Secretary of State Cyrus Vance were among those on the American side. The British side included Her Royal Highness Princess

Alexandra, former Prime Minister Lord Home, the Right Honorable David Channon, and Sir David Wills.

The gift was presented by Sir David Wills who, in a moving speech, expressed the hope that "maybe in a few hearts the voice of a great peal of bells—perhaps faint and far away—can occasionally provide that blinding flash of inspiration which helps drive civilization in its way."

The Congress of the United States has received a matchless gift in the Ditchley Bells. So that my colleagues who were unable to attend the presentation ceremony may appreciate the significance of the bells, I ask that Sir David Wills' remarks at the dedication of the Ditchley Bells be inserted at this point in the RECORD.

The remarks follow:

REMARKS OF SIR DAVID WILLS AT THE DEDICATION OF THE DITCHLEY BELLS

Mr. Speaker, Your Royal Highness, Secretary Vance, Lord Home, Minister Channon, Your Excellency, Ladies and Gentlemen,

It is a very special milestone in Ditchley's life that this peal of Bells should be accepted by Congress as a Bicentennial gift from the Ditchey Foundations in honour of the many Senators and Congressmen who have been to Ditchley in Britain over the last two decades. The Bells themselves were, indeed, cast in the Bicentennial year, at the Whitechapel Bell Foundry in London—a Foundry, I might add, which has been on the same site since about 1570. The first of the Westminster Abbey Bells was cast there in 1596 and, as the Vice President said, Congress' Bells are exactly similar in number, size and tone to the Abbey Bells, and the Dean of Westminster was kind enough to encourage us to have the Abbey's Coat of Arms inscribed on each headstock. It is, moreover, an especially happy thought that the Westminster Abbey Bells in London should ring out their welcome over Westminster to Washington and to America today—a welcome which the BBC and NPR have relayed to us here in this great hall. Each bell has engraved on it Britannia and the Great Seal of the United States and, in order to perpetuate the connection with London, the flower "London Pride" is engraved around the base of each bell. The treble bell carries the words "Fide et Constantia" which was the motto of the Lee family who lived at Ditchley in Britain for over 350 years, and the tenor bell, the biggest bell, carries the three words "Wisdom Courage Love"—but I will come back to the Bells themselves in a minute.

I would now like to thank the Administrator of GSA and his staff, and the Architects and the Consulting Engineers for the immense amount of trouble they have taken over the installation of the Bells in this splendid Bell Tower. I know that for one reason or another, it has been a complex and difficult operation. I would also like to pay a most special tribute to the memory of the late Ambassador David Bruce, at one time the American Ambassador in Britain and always a kind and true friend of my country and of Ditchley, to whom I turned when the idea of giving Congress this bicentennial gift took shape on our minds. By this time Ambassador Bruce was your Ambassador with NATO and I flew to Brussels at his invitation to see him, and his warm encouragement was a vital link in the chain of events. As a result of our discussion, he wrote to Senator Mansfield, who at that time was the majority leader in the Senate. From then on, the project was under the thoughtful aegis of Senator Moynihan and Senator Mathias, Congresswoman Lindy Boggs, Congressman John Brademas, as he then was, Congressman Barber Conable and Congressman Elliott Levitas; for the kindness and patient help of all these individuals, I am deeply grateful.

Now to return to the Bells themselves. You may wonder why the Tenor Bell bears this very special (special at any rate to me) inscription—Wisdom—Courage—Love—and so perhaps I should try and explain why so. It seems to me that for a country to achieve wisdom is a fairly tall order—but looking back over the last two centuries I would have thought that America can be proud of her record in that respect. Your history tells us too that you have always been brave, and love? Love must forever be the cornerstone of our civilization, and certainly to someone from the other side of the Atlantic your country is spontaneously warmhearted and kind, and so we felt that this was indeed the message which Congress might wish the voice of the bells to carry on the wind across the City of Washington. Perhaps one day too what was once just a dream may come to be realized if, and if that is what Congress would wish, sometimes the bells are rung on ceremonial occasions and to mark important activities of Congress. Thus they would be heard by the many visitors to Washington, and heard too over radio and television so that in this way the bells may become loved by those citizens of this great country who hear them now, not just in Washington but in America and the world over, and by unknown and unborn millions of Americans who will hear them in the centuries to come.

To go back to Ditchley for a moment, I hope with all my heart that the Anglo-American centre there will always be able to continue its work for America and Britain and the other countries of the Western World over the years which lie ahead; the Ditchley Foundation has always been, and will always be, about the close relationship between America and Britain and their friends. Here I would like to pay to warm tribute to the devoted and generous help the British end of the operation receives from the American Ditchley Foundation in New York under the direction of its distinguished Chairman, Secretary Vance. Just to touch briefly on the international scene, because in turn this touches on the thoughts which lie behind the creation of Ditchley, Western civilization after all depends wholly on the strength and political will of America and Europe; one does not have to be in Government either here or in Britain to know that the road over the next decade could be difficult—full of blind corners and dangerous stretches—and so it seems to me that America and Britain and all their friends must always try to meet each other quickly and gracefully and generously on minor issues so that on the great issues of peace and how it is to be best achieved, we can all walk in step and in strength side by side—in that way and only in that way shall we walk in safety. The motto of the Lee family inscribed on the Treble Bell is an admirable reminder to us that faith and steadfastness must always be the foundation of the relationship of Britain and America.

And again the Bells; well, about 150 years ago an Irish poet, Francis Mahony, wrote a poem about the Bells of Shandon. Shandon was his home town and lies on the banks of the River Lee in far off County Cork. The first lines go like this:

With deep affection
and recollection
I often think of those Shandon bells
Whose sounds so wild would
in the days of my childhood
Fling around my cradle their magic spells.

There is an indefinable spiritual quality about bells and maybe in a few hearts the voice of a great peal of bells—perhaps faint and far away—can just occasionally provide that blinding flash of inspiration which helps drive civilization on its way. Now if in the years and centuries to come Congress' bells hung here in the centre of the capital city of this wonderful country can achieve that, then this gift which has been generously accepted by Congress, may well perhaps prove to have been doubly worthwhile to a wholly incalculable degree, and in this context we might remember that "Heaven doth with us as we with torches do—not light them for themselves."

Mr. Speaker, Your Royal Highness, it is my great privilege and honour to present these bells as a gift from the American and British Ditchley Foundations to the Congress of the United States of America.●

CHILD KILLER: DIARRHEAL DISEASE IN THE THIRD WORLD

● Mr. KENNEDY. Mr. President, every year 10 percent of the children in the developing world die before they reach their fifth year because of the continuing scourge of diarrheal disease.

Although the root causes behind diarrheal disease—poverty, unsanitary water supplies, inadequate sewage disposal—are long-term developmental problems, the treatment of this disease is easily within our grasp.

We could save the lives of 4 to 5 million children in Asia, Africa, and Latin America each year if simple, inexpensive oral rehydration therapy were more readily available. This simple, life-saving technique reverses the dehydration, the actual cause of diarrhea deaths, and it can easily be administered by rural health workers if—and this is the big "if"—if they had access to this simple therapy and equipment.

Mr. President, some 10 years ago I saw the beginnings of this program when I visited what is now the International Center for Diarrheal Disease Research in Dhaka, Bangladesh. Recently, William Stevens, a correspondent for the New York Times visited the center and reported on the great progress that has been achieved in developing the knowledge and technology for dealing with diarrheal disease.

Throughout the center's work, the United States has been one of the largest and most consistent supporters. In addition, the International Health Office of the Agency for International Development is in the process of developing a program to support the greater use and availability of oral

rehydration therapy in the Third World.

And next month, AID, in cooperation with the center, UNICEF, and the World Health Organization's diarrheal disease control program, will sponsor an international conference to discuss better ways of combating dehydration caused by diarrhea. Leading scientists and physicians from around the world, as well as representatives from developing countries, will convene on June 7 here in Washington to increase professional and public awareness of the critical importance of oral rehydration therapy.

Mr. President, I commend AID and its Office of International Health for its leadership in promoting this simple therapy that can save the lives of millions of children every year—and for working with WHO, UNICEF, and others in the international community in support of this program.

When I addressed the World Health Organization's medical society in Geneva in May 1977, oral rehydration therapy was precisely the kind of health program I felt the United States and other developed countries should be supporting in the Third World.

I noted then—and, unfortunately, it is still true in too many cases—that—

Children are those who suffer most, whose suffering is the least excusable. They are the innocent victims. They are the victims of the negligence and unconcern—if not the outright unthinking and inhumanity—of nations that could ease the burden if only they understood the need.

The conference next month, Mr. President, will once again establish the need and, hopefully, also create greater understanding about the need for international action to finally deal with the scourge of diarrheal disease.

A world that spends over $300 billion a year for arms can spend a little more for health. And it may well be that what we do in health will be as important to world peace and cooperation in the long run as what we are now trying to achieve in arms control—and at a tiny fraction of the cost.

I commend to the attention of the Senate the thoughtful article by William Stevens in the New York Times and ask that it be printed in the RECORD.

The article follows:

[From the New York Times, May 3, 1983]

DIARRHEA PERSISTS AS SCOURGE OF THE THIRD WORLD

HOPE LIES IN NEW NONDRUG METHOD OF TREATMENT BEING PIONEERED IN INDIA

(By William K. Stevens)

DHAKA, Bangladesh.—The man staggered as he walked in and would have collapsed on the floor had a friend not been holding him up. Soon he was stretched out on a cot in a long, spotless, wardlike room that held perhaps 125 similarly stricken people, more than half of them children who appeared to be less than 5 years old.

Pale and sunken-eyed, some of the children whimpered or cried as their mothers, wrapped in gaily colored Bengali saris, ministered to them, but most were silent.

No cyclone or war was responsible. All were victims of a medical disaster of gigantic proportions and lethal powers. It is not the plague, malaria or yellow fever. It is simple, miserable, inelegant diarrhea, the most widespread and pervasive health problem in underdeveloped nations, and the biggest killer of children on the earth.

"Delhi belly" is a joke among world travelers, although not always to those who have had it. But in Asia, Africa and Latin America, it is an inescapable fact of existence, and for those under 5 a very real threat to life.

Four million to five million children die each year from the dehydration caused by severe diarrhea. Various studies indicate there are one billion to two billion cases of the malady annually. Virtually every child in the third world will have the disease more than once in his or her lifetime. With some common diarrheal diseases, a child or even an adult can die in a day, so severe and rapid is the dehydration.

Yet, experts in the field of diarrheal diseases say that knowledge about such diseases has been limited, and that prevention and treatment programs have been haphazard at best and nonexistent at worst. Now advances in both understanding and controlling the diseases are being made, many of them here in Dhaka at the world's only internationally sponsored center for the study and treatment of diarrhea.

"Ten years ago, we knew about 20 percent of the causes of diarrheal disease," said Dr. K. M. Sultanul Aziz, associate director of the International Center for Diarrheal Disease Research, Bangladesh. "But, we have proceeded rapidly. Today we know the cause of 80 to 90 percent."

Until 1978, the center was a cholera laboratory operated by the Bangladesh Government. Now, supported and governed by 19 countries and agencies and staffed by professionals from 14 nations, it has become recognized as the world's primary institution for research, collection of information and development of treatment methods for diarrheal diseases. Its director, Dr. W. B. Greenough 3d, is an American.

Among other things, investigators and physicians at the center have discovered that cholera and amoebic dysentery, perhaps the two best-known and traditionally most-feared forms of diarrheal disease, are not the most lethal among this group of ailments. They have also found, contrary to conventional wisdom, that diarrheal patients absorb food almost normally and should therefore eat normally. They are trying to clarify the extent to which the body develops immunity to some of the diseases.

And perhaps most important, they are propagating a simplified and effective oral method of treatment that can be used by families in the poorest and most illiterate villages, using easily obtainable materials and ingredients.

What might be called the Dhaka doctrine holds that medication is unnecessary in most cases of severe diarrhea. The best thing to do, say the Dhaka doctors, is to let the body purge itself naturally, while at the same time replacing the fluids, nutrients and minerals lost through dehydration. They have devised a simple method for doing this orally, using a mixture of water, salt, sodium bicarbonate, potassium chloride and sugar.

Where some of the ingredients are unavailable, as is likely to be the case in rural areas, they have found that an even simpler solution of a three-finger pinch of salt and a fistful of sugar to a half liter of water works very well. And where sugar is not available, researchers here have found pulverized rice or wheat, the staples of most third world diets, will suffice.

Some 400 to 500 patients a day are treated at the center's new hospital here, and more drink the cure at an older center at the town of Matlab, south of here.

The effects of diarrheal disease involves the body's attempt to flush from the digestive tract harmful bacteria, protozoa and viruses that invade it through contaminated water or food. Death is caused not by the infection itself, but by the body being rapidly drained of its vital fluids. The most likely victims are children weakened by malnutrition, as so many are in underdeveloped countries.

Since contaminated water is the norm in the third world, virtually the entire population of Asia, Africa and Latin America is exposed to disease-carrying bacteria. Small children, coming from the protected environment of the uterus, are wide open to infection because they have not built up the immunity some diarrheal infections provide.

Studies in Bangladesh have shown that the two most prevalent and serious diarrheal diseases are caused by the bacterium Escherichia coli, which makes its way into water supplies through contamination by fecal matter, and rotavirus, which can be transmitted not only through food or water, but also by skin contact from person to person in a handshake. One study showed that in children under 2, 73 percent of all cases of diarrhea were caused by one of these two pathogens.

Both are regarded as very dangerous: rotavirus because it is the predominant cause of death in children under 3, and E. coli because it can cause very rapid and catastrophic dehydration.

The incidence of infection by rotavirus drops in the later years of life because, scientists believe, it confers a high level of immunity on children who survive the first attack.

Four other bacteria, "including our old friend cholera," says Dr. Aziz, also cause disabling or fatal diarrhea, but affect fewer children. When cholera does strike, however, death can come within 24 hours if treatment is not prompt. Dr. Aziz added that the cholera vaccine required of travelers to some countries has now been found to be ineffective.

The other bacteria involved are shigella, which can also be transmitted hand-to-hand and then to food; salmonella, transmitted in food; and campylobacter, which can be carried by poultry and domestic animals.

Among the protozoa, or one-celled animals, the two most important causes of diarrhea are amoebas and a parasite called Giardia lamblia.

Dr. Aziz said he considered the purification of third world water supplies a hopeless task for the foreseeable future. The next line of defense lies in certain preventive measures.

The experts recommend that people in underdeveloped countries wash their hands thoroughly with soap and hot water after defecation and before eating. Drink nothing except boiled water, they say, or water from a wellproved pour source, or liquids from a sealed bottle you have opened, or seen opened, yourself.

Eat only thoroughly cooked food that is still hot (even the food in street bazaars is all right if this rule is followed). Eat no fresh fruit except what you peel yourself. Eat no raw vegetables except those that have been properly treated in a special germ-killing wash, such as a solution of potassium permanganate. Make sure that dishes, glasses, cups and utensils have been washed in boiling water.

The Dhaka doctrine of oral rehydration holds that except in a few cases where a bacterial infection may move outside the digestive tract and invade other organs, medication should not be given because it impedes the development of immunity. And as in all viral diseases, the rotavirus is unaffected by antibiotics.

The protozoal infections are an exception to the nonmedication rule. It is considered important to treat them antibiotically to kill the live parasites.●

THE FARMERS HOME ADMINISTRATION LET THE FARMERS DOWN

● Mr. BUMPERS. Mr. President, I rise today to speak on a subject that, for the most part, should have never been necessary to address. Most of you are aware of the thoughtless upheaval caused by the shutting down of farmers' operating loan disbursements by the Farmers Home Administration. Even though the national office of FmHA knew over 1 month ago that a financing crisis was upon them, they allowed the situation to continue to deteriorate. Without warning, State FmHA offices in 17 States were told to shut down their insured operating loan program just a couple of weeks after the USDA assured this body that current FmHA funding levels were adequate.

One can only guess what games the USDA was playing, but it is certain that the national office of FmHA had been warned since the beginning of this fiscal year that greater amounts of money would be needed for the farmers insured operating loan program. This need was due to the insistence of the administration on initiating an early phaseout of the economic emergency program begun after the 1980 drought, thereby forcing thousands of farmers to enter the regular operating loan program. Yet, instead of making preparations on the national level for this eventuality, FmHA sat on its hands. It failed to warn Congress, the State FmHA offices, or the thousands of farmers cruelly exploited by its inaction. It was in this light that the shutdown was ordered. Although I cannot speak for all States, I am sure that farmers in many States caught in the crunch also spent many anxious days. Over 800 farmers needing $30 million were shut out in Arkansas. In defense of the Arkansas State office of FmHA—which was given no advance notice either—it worked hard to develop alternatives in the face of this calamity.

What is most frustrating is that Secretary Block has $600 million appropriated for the economic emergency program to be used at his discretion. This money would have provided tremendous relief to many of our Nation's farmers and it afforded the most logical resource for acquiring enough money to cover the shortfall. If the Secretary was unaware of its existence, the letters, telegrams, and calls from Senators, Representatives, and farmers urging its application surely raised his level of cognizance. Yet, in a classic "rob Peter to pay Paul" maneuver, money was transferred from other FmHA accounts, including $300 million from the sewer and water grants and loans program. For some inexplicable reason, the obvious source was not utilized even though the economic emergency program was specifically designed to aid applicants in obtaining credit when credit was unavailable from other sources, including FmHA's insured operating loan program, due to economic stresses. And, for all the trumpeted rescue by the USDA of the FmHA insured operating loan program, as of April 25, the State of Arkansas did not even know what its allocation would be although the State office has been told to conduct business as usual.

I realize that many of my colleagues understand well what I am saying today. It is unconscionable that the Farmers Home Administration, the lender of last resort, could allow itself to be a contributing factor to the adverse credit situation already brought on by the refusal of credit to many farmers by the traditional commercial and cooperative lenders. It is equally unconscionable that the Secretary of Agriculture could fail to exercise his option to implement the economic emergency guarantee program.

As a cosponsor of S. 24, the Emergency Agricultural Credit Act of 1983, I urge my colleagues to give this bill their support. Of its many necessary provisions, one of the most important will extend the economic emergency direct loan program. I also hope that the Senate will restore the mandatory provision for implementation and will remove the discretionary authority of the Secretary.

I would like to close by expressing my concern over the plight of the poultry industry. The poultry industry in this country has suffered greatly for the better part of 4 years. One of the salvaging factors was that feed costs were low due to the depressed grain prices. With the implementation of the PIK program, many of these growers have suddenly been put into a financial bind because of the peculiar nature of the poultry industry. Just after the PIK signup figures were released, feed costs rose $30 a ton, driving grow-out costs up 2 cents to 3 cents a pound. Concurrently, turkey prices have fallen from 70 cents to 50 cents a pound and broiler prices have dropped from 47 cents to around 39 cents a pound.

The poultry industry needs help. Their quarrel is not with the grain farmer, because a prosperous grain production industry is essential to the future of poultry. Their quarrel is with our agricultural planners who did not provide adequate relief for the poultry growers to insure their survival through this readjustment period. We must recognize the interdependence of poultry and grain production and I ask my colleagues to aid Senator PRYOR and me in finding a solution that would be acceptable to all. We wrote to Secretary Block on May 4 asking that he do two things: First, release some of the economic emergency loan money, earmarking some of the funds for poultry and egg relief; and, second, that he seek authority from Congress to make direct economic emergency loans to poultry and egg producers. I ask that our letter be printed in the RECORD following my statement. I am convinced that we should give our best efforts to the consideration of proposals to assist the poultry industry, which is so important in Arkansas and in many other States. We look forward to Secretary Block's response.

The letter referred to follows:

UNITED STATES SENATE,
COMMITTEE ON APPROPRIATIONS,
Washington, D.C., May 4, 1983.

Hon. JOHN R. BLOCK,
Secretary, Department of Agriculture, Washington, D.C.

DEAR SECRETARY BLOCK: As you are well aware, the agriculture sector of this country is still struggling through a serious recession. Although the PIK program offers tremendous hope to many of our grain farmers, including thousands in Arkansas, the rapid rise in grain prices has been a staggering shock to the poultry and egg industries. Our egg, broiler, and turkey producers have no quarrel with the grain farmers, because their survival is critical to them. However, since the interdependencies of grain, poultry and egg production are well known, our poultry and egg producers are surprised that government protection was not afforded to them also during this readjustment period.

Because of the peculiar nature of our integrated egg and poultry industries, it is difficult for producers to absorb these rising grain costs. Grow-out costs for broilers and turkeys have risen two to three cents a pound and egg costs have risen three cents a dozen. To aid these producers in their attempt to weather the rippling effects of our PIK program, we respectfully request that you release some of the Economic Emergency loan money, and ask that you earmark these guarantee funds for poultry and egg relief. We also respectfully request that you seek authority to make direct loans from the Economic Emergency appropriation which could benefit all producers, including poultry and egg.

We appreciate your consideration of this request and your concern for the economic

health of our farmers. We look forward to your reply.

Sincerely,

DAVID PRYOR.
DALE BUMPERS.●

ABORTION: AN EVIL THAT MUST BE ENDED

● Mr. HELMS. Mr. President, despite the fact that the major news media and their spokesmen almost uniformly support legalized abortion, there are at least a few voices in the media who speak out courageously for the right to life. Jack Currie of the Daily Advance of Elizabeth City, N.C., is one of those voices.

In a March 13, 1983, column Mr. Currie points out the brutality of abortion and how in many ways it is similar to evils of the past. Among other things, Mr. Currie writes:

Abortion is an evil that must be ended. * * * Unlike the carnage on the highways, where about 50,000 people die annually, abortion is something hidden away and troublesome to think about. It is time we thought about it.

Mr. President, I call the attention of my colleagues and the American public to Mr. Currie's article. I join with him in saying that after a decade of Supreme Court-imposed abortion on demand it is time we face this unpleasant and tragic issue and solve the problem by restoring legal protection for the unborn.

Mr. President, I ask that "Abortion is Medieval, Says Reporter" by Jack Currie, appearing in the March 13, 1983, edition of the Daily Advance of Elizabeth City, N.C., be printed in the RECORD at this point.

The article follows:

ABORTION IS MEDIEVAL, SAYS REPORTER

(By Jack Currie)

Hey, here's a great way to help win the war on crime: round up all the criminals and execute them by quartering, just like they used to do back in Medieval times.

Back then they used to take no-good-niks and, after tying their arms and legs to Clydesdale horses, would pull them limb from limb. That certainly showed them who was boss.

Away with the electric chair, away with the gas chamber, away with all these new-fangled "humane" gadgets. We've got to get back to basics.

What's that? Quartering seems a bit barbaric?

Well, pilgrim, perhaps you're right. But before making such a hasty judgement, consider that about 1½ million of America's outcasts were executed in that manner last year.

And not one of the self-appointed defenders of the country's civil liberties said a word.

According to statistics released recently, about that number of babies were aborted at varying stages of growth last year, roughly one of three pregnancies.

Before dismissing the comparison between abortion and the techniques used by Medieval tormentors, realize that the results are basically the same.

Babies aborted by the suction method, the most popular way of disposing of unwanted infants, are quite literally torn limb from limb. Sometimes the smaller body parts are still recognizable.

Other methods of infant execution are equally savage.

Injection of salt solution into the womb in effect burns the child to death chemically. The baby breathes in and swallows the salt and is poisoned by it and the outer layer of skin is burned off by the corrosive effect of the salt. It commonly takes an hour for the child to die by this method.

Babies killed by the "surgical" method—that is, using a sharp knife—are simply carved to ribbons, like victims of the Chinese "death of a thousand cuts." Helpless as they are, there is nowhere for them to hide.

One of the jobs of the operating nurse is to reassemble the body parts to make sure the uterus is empty.

And, finally, like the Caesarian section method of birthing, the Caesarian method of abortion removes the baby through the mother's abdomen after an incision is made. Only instead of being placed in the arms of his or her mother the aborted babies are tossed into a bucket to die.

Consider: what would your reaction be if you read in the newspaper tomorrow that North Carolina planned to start executing convicted murderers and rapists in these ways?

Horrified?

Yet thousands of babies are killed in the state each week by these methods.

And their only crime is that they exist.

Somehow amid the raucous yelps of the radical crowd during the past decade or so, Americans seem to have lost the gumption to stand up and say "no" to the amoral changes being wrought in their county by the smug cadre of "experts."

Moral paralysis is evident at all levels of society. Certainly in the U.S. Supreme Court. For, although they preen like great eagles of jurisprudence, the legal sparrows that have perched in the high court in recent years have been a sad lot.

Carrying the medieval comparison a little further, the legal minds of today seem to have lost their way, wallowing through empty reasonings like the philosophers of the middle ages. In place of sound judgment, they appear content to ponder how many convicted killers can dance on the head of a pin.

Abortion is a case in point.

While the high court wrings its hands over the execution of convicted murderers such as Gary Gilmore (shot by a firing squad a few years ago), the murder of innocents continues.

The prime concern in recent years is whether public money should be used to subsidize the carnage. After all, we wouldn't want to see the poor shut out of this wonderful opportunity. That would be un-American.

Yet abortion strikes at the most basic of constitutional freedoms—the right to life. Never mind the right to liberty and the pursuit of happiness, aborted infants aren't given the chance to get that far.

In the Dred Scott decision of 1857, the Supreme Court ruled that black people were not "persons" in the eyes of the constitution. Slaves could be bought, sold or even killed at the whim of their owners. That piece of legal shame was only corrected by passage of the 14th Amendment.

And like a terrible echo of the Dred Scott Decision, the judges have once again taken the devine mantle upon themselves and declared that unborn children are not "persons."

Yet medical discoveries in recent years do not support that contention. At only six weeks of growth an unborn infant's brain activity can be measured and at eight weeks he or she is responsive enough to grab hold of an item place in his or her hand.

Some argue that unless abortion is available on demand, "mothers" will be forced to seek back-alley remedies. God forbid they should take responsibility for the actions they freely entered into.

That line of reasoning, however, argues for the abolition of all law. After all, we have laws against murder, rape and theft. Yet some people still choose to murder, some still choose to rape and some still choose to steal.

Some argue that the baby isn't viable because it couldn't survive outside the mother's womb. Yet how many adults could survive outside the "womb" of society? Without the clothing, food, shelter and weapons society provides, few would survive very long.

Abortion is an evil that must be ended. The difficult thing about it is that, unlike the slave or the downtrodden, their pain goes largely unseen. And the full measure of it, unappreciated.

Unlike the carnage on the highways, where about 50,000 people die annually, abortion is something hidden away and troublesome to think about. It's time we thought about it.

And time we acted.●

THE NEED FOR PEACE—NOT WAR

● Mr. PELL. Mr. President, nearly 20 years ago, President John F. Kennedy issued a call for a world at peace in an eloquent address at American University here in Washington. At that time, he announced two strong and positive arms control steps: The initiation of high-level discussions on a test ban and the pledge that the United States would not be the first to resume tests in the atmosphere.

In less than 2 months, the United States, Great Britain, and the Soviet Union had agreed the Limited Test Ban Treaty banning tests in the atmosphere, outer space and under water.

President Kennedy achieved that excellent agreement at a time when relations between the Soviet Union and the United States were complicated by differences no less severe than we face today. President Kennedy faced squarely the need to share this planet with friends as well as adversaries and to strive for peace, not war. He told his American University audience of his discouragement at the anti-American propaganda being put out by the Soviets, which he said provided "a warning to the American people not to fall into the same trap as the Soviets, not to see only a distorted and desperate view of the other side, not to see conflict as inevitable, accommodation as impossible, and communication as nothing more than an exchange of threats."

President Kennedy understood full well the need for greatness—not pettiness—in our Nation and its leaders. He understood the importance of keeping our sights on achievements of genuine importance. Thus, he was able to achieve a test ban and prepare the way for other arms control efforts.

The President's brother, the Senator from Massachusetts, spoke recently at American University to commemorate the 20th anniversary of the address. He reflected upon the success and failures of the past two decades, telling his audience.

We have found reason for hope in the Test Ban Treaty and the other agreements that have followed it. At least, we are all still here.

But that is also far less than we could have sought—and far less than we should have achieved.

For the mere absence of war has been accompanied by the increasing insecurity of a precarious nuclear peace. The knife's edge of the nuclear balance has been steadily sharpened. Arms control has often been twisted into a means for managing a faster arms race.

Our colleague, the Senator from Massachusetts, concluded his superb remarks with this admonition:

You have lived and grown in these dangerous years—and now you must cherish your own future. You are the sons and daughters of this Atomic Age—and now you must resolve that it shall not be succeeded by a Second Stone Age. You know that we are all mortal. And so let all of us seek to end the mortal danger—and let us see to it that twenty years from now, on the fortieth anniversary of President Kennedy's speech, your children can gather on this campus to celebrate his call to a world at peace—not merely as a promise to keep, but as a dream that has finally come true.

Mr. President, I commend Senator KENNEDY's remarks to my fellow Senators. I ask that the Senator's address and President Kennedy's June 12, 1963, address at American University be printed in the RECORD following my remarks.

The materials referred to follow:

ADDRESS OF SENATOR EDWARD M. KENNEDY MARKING 20TH ANNIVERSARY OF PRESIDENT KENNEDY'S DISARMAMENT SPEECH

This day is an occasion not only for remembrance, but for the reaffirmation of our commitment to creating a world "safe for diversity"—and for human survival.

Twenty years ago, here at American University, President Kennedy called for a treaty to ban nuclear tests—as the first step in a strategy of peace to ban nuclear war.

The words he spoke then ring now with a timeless truth. Despite loose talk today about a nuclear warning shot and a winnable nuclear conflict, we know the abiding truth of his warning then that "total war makes no sense" in this age. And so we insist once more as clearly as we can that there is no such thing as a limited nuclear war.

Despite the escalation of bellicose rhetoric from the centers of power in both of the most powerful nations, we know the enduring truth of John Kennedy's wisdom that "no government is so evil that its people must be seen as lacking in virtue." As he said, "We must not see a distorted and desperate view of the other side; we must not see conflict as inevitable, accommodation as impossible, and communication as nothing more than an exchange of threats."

Two decades later, our leadership would do well to hear and heed that wisdom again. And so we say that we dare not misuse what is wrong in the Soviet system as an excuse for denying what is right in Soviet-American relations—which is the overriding imperative of nuclear arms control. No government should be regarded as so much of an "evil empire" as to justify reckless policies which could subjugate so much of the world to a permanent evil empire of radioactive death.

We must demand a national leadership which will spend less time preparing for nuclear war—and more time preventing one.

On the arms race, the essential truths of 1963 remain the same in 1983. But some things have changed—and many of them for the worse.

We have found reason for hope in the Test Ban Treaty and the other agreements that have followed it. At least, we have not fought the third and last world war. At least, we are all still here.

But that is also far less than we could have sought—and far less than we should have achieved.

For the mere absence of war has been accompanied by the increasing insecurity of a precarious nuclear peace. The knife's edge of the nuclear balance has been steadily sharpened. Arms control has often been twisted into a means for managing a faster arms raced.

In 1960, the combined total of deliverable nuclear explosives on station on both sides was 6500. By 1983 that lethal number has multiplied by sevenfold to 50,000.

While the negotiatiors have bargained, their governments have developed and deployed missiles with multiple warheads, greater accuracy, and lesser warning time. Relentlessly we have reduced the narrow span of minutes in which the fate of humanity can be decided by human beings.

The United States Senate has failed to ratify SALT II and other relatively modest treaties which would widen a little the margin between our existence and extinction. In Moscow, Soviet leaders reach for potential first strike weapons. In Washington, the President claims he favors arms control and that his Administration has proposed it—but in fact, and sometimes in the strongest terms, he has opposed every single arms control agreement since he entered public life two decades ago.

So we have come to the dangerous place where we now find ourselves—on the brink of Cold War Two. We can continue to practice that brinksmanship—and to proclaim our own toughness. And if those who advocate such mindless toughness prove to be mistaken, and their mistakes lead to the last great war, they may be safe in a protected bunker, inside a mountain and behind steel doors. But the rest of the earth will be dying—and there will be few if any of us around to blame them for the most catastrophic error in all recorded history.

I reject that risk—and I reject the advice that we must not offer an alternative because it will undermine the present negotiations. That is what other Administrations have said in their effort to mute dissent in other dark days on other difficult issues. And in the case of Vietnam, tens of thousands of Americans and hundreds of thousands of Vietnamese died before the lesson was learned that the answer to failure is not more of the same.

The greatest strength of a free society is that we can differ and speak out; we can develop and stand for different policies. And on the nuclear issue, that strength may be the saving virtue of our national life and the life of all the world.

We now have the obligation and the opportunity to turn aside from another cold war—and to create instead a new strategy of peace.

That strategy must be based on a realistic assessment of our relationship with the Soviet Union.

For too long, we have strayed between two misconceptions about the Russians—between overblown illusions of cooperation and overstated notions of confrontation. An arms control treaty will not tame Soviet misconduct in other areas. And the refusal to negotiate such an agreement, even when it is in our national interest, will not free Afghanistan or break the repression in Poland.

In short, we cannot punish the Russians by raising the risk of nuclear war. We hear about linkage—but we must not forget our fundamental common link as people on this planet—that we shall all live or die together.

We will find ourselves at odds with the Soviet Union far into the foreseeable future. We need not fear an economic competition—for our economy is rich in resources and potential—and capable of performing at much higher levels than it has in recent years. The Soviet economy is inefficient, corrupt, and dependent on the catalyst of Western technology.

Nor need we fear an ideological rivalry. We believe in individual liberty and human dignity—and with inspired leadership, that belief can have the most powerful appeal, as it has in the past, to the rest of the world. But how many immigrants have ever moved to the Soviet Union in search of a better life? In this arena, the Soviets can gain only when we betray our own best ideals.

The one place where the Russians know they can compete is military power—and they will pay any price to prevent us from forcing them into a position of military inferiority. We can and we should maintain strategic parity—which requires a sufficient and a secure deterrent. We can and we should strengthen our conventional forces—so that we can limit our reliance on nuclear retaliation during a crisis.

We can and we should withhold our financial credits, when they are paying for martial law in Poland—because the Soviets, too, cannot demand linkage as the price of limiting weapons.

But for both great powers, arms control is a far saner way to preserve strategic parity than an endless arms race. Despite the differences which divide the United States and the Soviet Union today, and which will divide us for years or generations to come, what must unite us is an unflagging determination to avoid nuclear annihilation. We must seek to maintain our freedom and the peace at the same time—for there will be no such thing as liberty in a lifeless land.

The United States and the Soviet Union now possess the equivalent of three million Hiroshima bombs—a total of four tons of T.N.T. for every man, woman, and child presently living on this planet. Even in the unlikely event of a successful Soviet first strike against our land-based missiles, we would still have over 3,500 warheads at sea and on bombers—enough to destroy every Soviet city and town seven times over. The

Secretary of Defense and the members of the Joint Chiefs of Staff have testified that they would not exchange the deterrent forces of the United States for those of the Soviet Union.

Because this is so, a year ago, a number of us in Congress took up a cause and a challenge that had already stirred at the grass roots across this country. We called for an immediate, mutual, and verifiable freeze on the testing, production and deployment of Soviet and American nuclear weapons. That idea has enlisted the energies of ordinary citizens everywhere—and next week, the House of Representatives will debate and vote on the freeze resolution.

Those who oppose it have put forth a changing array of arguments that range from the disingenuous to the dishonest.

First, we repeatedly hear the outright falsehood that the freeze is somehow unilateral. The purveyors of that distortion either cannot read the resolution—or care more about making their case than keeping to the facts. Perhaps they think that if they repeat themselves often enough, they can fool at least some of the people into believing some of their scare charges.

The freeze is plainly, unequivocally, and indisputably bilateral. In supporting it, we do not and would not suggest that Americans on the other side want a nuclear war. So I wish they would stop suggesting that in some sense we want unilateral disarmament.

Second, the opponents of the nuclear freeze contend that we cannot halt the arms race in the face of a continuing Soviet build-up. But in fact, a bilateral freeze is the best way to prevent that build-up. It would halt the entire new generation of weapons which the Soviets are now developing—including the Blackjack bomber, the Typhoon submarine, cruise and land-based mobile missiles. The cries of alarm about Soviet advances in the future amount to a compelling reason to freeze the present balance of forces—and to stop the threatening trends now.

The Administration instead prefers to respond with a two trillion dollar American military build-up. But the lesson of the last generation is that the Soviets will match us bomber for bomber, missile for missile, warhead for warhead.

Third, we are told that a freeze at this time would prevent us from perfecting our own deterrent—for example, by creating a new type of bomber, which, for at least a while, will be less vulnerable to Soviet defenses. But at any time, there will always be some imperfections in the military forces on either side—and that reality can be used every time to justify just one more little round of the arms race. That is all they want, they say, and then we will have enough. But the Soviets have learned to make that argument too. And so we drift, as Einstein said, toward unparalleled catastrophe. We must reject policies which claim for the moment to make the world a little more secure, but in the end make the world a more unsafe and unstable place.

Fourth, our opponents say that a freeze is impossible to verify. This may be the most deceptive contention of them all. For impartial experts have testified again and again that a freeze is at least as verifiable—and probably more so—than other arms control agreements, including the President's own S.T.A.R.T. proposal. Moreover, we have made it clear from the beginning that anything which cannot be verified will not be frozen. The Administration had better be careful—or their careless and baseless attacks on verification will become a basis and a rallying cry for extremists who will oppose any and every arms accord. We do not advocate a freeze because we trust the Russians. But we do distrust those who would continue the arms race at any and all costs.

Finally, there are opponent of the nuclear freeze who explain that they favor reductions instead. But there is a darker side to their slogan. Reductions are not all they want. While professing limits in some areas, they want no limits on the newest and most modern weapons—which are also the costliest and the most theatening.

Indeed, the Administration's own START proposal for reductions proves the point. For example, it would permit us to build the B-1 bomber—which is nothing more than a supersonic Edsel in the sky. And the Administration's proposal would even permit the unrestrained pursuit of their new scheme for outer space—which would open another arena for the arms race and set another tripwire for nuclear war.

You know, this really is a very strange idea. We cannot found national policy on fond memories of radio serials, dreams of the Old West, and the thrilling days of yesteryear. We must reject the preposterous notion of a Lone Ranger in the sky, firing silver laser bullets and shooting missiles out of the hands of Soviet outlays. The best defense against nuclear war is arms control and then disarmament.

The Administration answers that we need the threat of new weapons as bargaining chips for negotiation. And they say we need the MX missile because of the window of vulnerability. Now, let's all try hard to understand this. Mr. Reagan claimed we were vulnerable because the Russians could hit and destroy our existing Minuteman silos. So he appointed a commission which reviewed every conceivable solution to the problem of Minuteman vulnerability. And did you hear what they have just come up with? They want to put the new MX missile in the old, vulnerable Minuteman silos. You know what this is like? It's like having a car that is getting wet because of a leaky garage roof—and then trying to solve the problem by changing the make of the car.

The President has already declared that the MX is not on the bargaining table at the START talks—that he will never trade it away. So let us say now—it is time for Congress to take it away. It is time for the President of the United States to admit that the MX is a mistake—that it is a missile without a mission and a weapon without a home. It is time to make it clear that even by the Administration's own logic, the MX in Minuteman silos is a sitting duck—and to state clearly that, by any rational standard, the MX missile in any form is a dead duck.

Both sides should renounce forever the pursuit of the phantom of nuclear advantage. We must free our diplomacy from the myth that more megatons mean bigger bargaining chips. We must reject the foolish theory that we can have fewer bombs tomorrow only if we have more bombs today. The Administration defends this as a negotiation strategy. I call it voodoo arms control.

We must ask a simple question of them. Instead of piling overkill upon overkill, why not start now with a freeze? Why not stop where we are—so that at least we can begin to turn the arms race around?

We face a new and uncertain time. The continued advance of technology will move us steadily back from the possibility of peace. But a nuclear freeze can give the two great powers breathing room before they rush into a nuclear future that may threaten the future itself. It can halt new technologies that will be dangerous and destabilizing, and may be impossible to stop once they are started.

Some critics say that the freeze does not go far enough—which is what so many of them said twenty years ago when a test ban treaty was proposed in this very place. We remember the answer that was given then: "A journey of a thousand miles begins with a single step." And so today, we reply: The long journey of survival in the nuclear age begins with the nuclear freeze.

Support for the freeze does not mean that we seek a weaker America. We have watched in recent weeks as ministers of the Gospel have been urged to preach in favor of an escalating arms race. But in the Scriptures I have read, nowhere does it say: "Blessed are the warmakers and the munition manufacturers." We have witnessed the revival of McCarthyite tactics which equate dissent with disloyalty—and which imply that the advocates of a freeze are somehow or other dupes or pawns. But someone should tell the apostles of this reincarnated Red Scare that the freeze movement began in Massachusetts and Vermont, not in Moscow and Vladivostok.

Support for the feeeze does not mean opposition to a strong national defense. I favor a real growth of 5 percent in the military budget to assure the readiness and reliability of our forces. The President is demanding twice as much. But we cannot afford military waste which weakens the nation—and which has subverted the national consensus for sustained improvement in our defenses, especially our conventional capability. Instead of lavishing our treasure on first strike weapons, let us spend it on first class schools—from the first grade through student loans for college and graduate study.

And let us never forget that national security includes the condition of our society as well as the size of our missiles. The world in an arms race is also a world impoverished. For America, running that arms race cripples our capacity to do anything else.

Today we are cutting immunization for children in order to finance the weapons that may someday kill them. Every new shelter for a missile means fewer homes for our families. Every new warhead guidance system that can read enemy defenses means more pupils who will not learn to read. Every new escalation that could mean death at an early age across the earth also darkens the golden years of our senior citizens now.

We hear rhetoric from our highest officials about eliminating budgetary waste. If they are serious, let them enter into a nuclear freeze; let them pursue nuclear reductions; let them eliminate the expenditures that now make a desert of our dreams—and that someday could make a cold wasteland of all the earth.

What more can we gain if we drain more of our resources into nuclear overkill? The American and Soviet arsenals are already bristling with weapons that could kill more people, burn more buildings, and sack more cities, than in all the conflicts from the beginning of history until now. The greatest works of human enterprise and spirit could be vaporized in a single instant by the most terrible work of human invention. Despite all our bombs and all our missiles, we stand essentially defenseless upon a stage on which the human drama could be closed in the flashing of a fireball.

As an American I believe in a national defense second to none, sufficient to deter any attack from any adversary. But I also be-

lieve that we must preserve and protect a world which is now only a second away from nothingness.

In closing, let me say something special to each of you who are students here, and to all those of your age who share the high ideals of this occasion. The conscience, the caring, the commitment that you and your generation bring to the nuclear issue can help to change the direction of our country and even the fate of the earth.

Others before you have faced a similar test. The young were there in the 1960s in the forefront of the fight for civil rights and the struggle against the Vietnam War. In the 1970s, your older sisters and brothers summoned America to provide equality for the majority of our people who are women—and to prevent the poisoning of the land and the air and water that are the greatest natural gifts of this continent.

Now in the 1980s, a moment of history and a sense of hope call your generation to a work as great as any that has gone before—indeed the greatest work of our time and of all time—the work of peace. The challenge comes especially in this decade because the danger has become so present and so clear. The difference each of you can make, if all of you will try, may make the difference between peace and war, between a just society and a garrison state.

Many of you were not even born yet when John Kennedy was here in 1963. But as he said then, he was speaking on your behalf, on behalf of "future generations," and for the sake of all those in America and in the Soviet Union "who cherish our children's future." He reminded us that "we are all mortal." And in the summer that followed, he felt that he would rather lose the next election than the lose the test ban treaty.

The years have passed and so have Presidents—but the meaning of that message has not passed away.

You have lived and grown in these dangerous years—and now you must cherish your own future. You are the sons and daughters of this Atomic Age—and you must resolve that it shall not be succeeded by a Second Stone Age. You know that we are all mortal. And so let all of us seek to end the mortal danger—and let us see to it that twenty years from now, on the fortieth anniversary of President's Kennedy's speech, your children can gather on this campus to celebrate his call to a world at peace—not merely as a promise to keep, but as a dream that has finally come true.

COMMENCEMENT ADDRESS AT AMERICAN UNIVERSITY IN WASHINGTON, JUNE 10, 1963

President Anderson, members of the faculty, board of trustees, distinguished guests, my old colleague, Senator Bob Byrd, who has earned his degree through many years of attending night law school, while I am earning mine in the next 30 minutes, ladies and gentlemen:

It is with great pride that I participate in this ceremony of the American University, sponsored by the Methodist Church, founded by Bishop Fletcher Hurst, and first opened by President Woodrow Wilson in 1914. This is a young and growing university, but it has already fulfilled Bishop Hurst's enlightened hope for the study of history and public affairs in a city devoted to the making of history and to the conduct of the public's business. By sponsoring this institution of higher learning for all who wish to learn, whatever their color or their creed, the Methodists of this area and the Nation deserve the Nation's thanks, and I commend all those who are today graduating.

Professor Woodrow Wilson once said that every man sent out from a university should be a man of his nation as well as a man of his time, and I am confident that the men and women who carry the honor of graduating from this institution will continue to give from their lives, from their talents, a high measure of public service and public support.

"There are few earthly things more beautiful than a university," wrote John Masefield, in his tribute to English universities—and his words are equally true today. He did not refer to spires and towers, to campus greens and ivied walls. He admired the splendid beauty of the university, he said, because it was "a place where those who hate ignorance may strive to know, where those who perceive truth may strive to make others see."

I have, therefore, chosen this time and place to discuss a topic on which ignorance too often abounds and the truth is too rarely perceived—yet it is the most important topic on earth: world peace.

What kind of peace do I mean? What kind of peace do we seek? Not a Pax Americana enforced on the world by American weapons of war. Not the peace of the grave or the security of the slave. I am talking about genuine peace, the kind of peace that makes life on earth worth living, the kind that enables men and nations to grow and to hope and to build a better life for their children—not merely peace for Americans but peace for all men and women—not merely peace in our time but peace for all time.

I speak of peace because of the new face of war. Total war makes no sense in an age when great powers can maintain large and relatively invulnerable nuclear forces and refuse to surrender without resort to those forces. It makes no sense in an age when a single nuclear weapon contains almost ten times the explosive force delivered by all of the allied air forces in the Second World War. It makes no sense in an age when the deadly poisons produced by a nuclear exchange would be carried by wind and water and soil and seed to the far corners of the globe and to generations yet unborn.

Today the expenditure of billions of dollars every year on weapons acquired for the purpose of making sure we never need to use them is essential to keeping the peace. But surely the acquisition of such idle stockpiles—which can only destroy and never create—is not the only, much less the most efficient, means of assuring peace.

I speak of peace, therefore, as the necessary rational end of rational men. I realize that the pursuit of peace is not as dramatic as the pursuit of war—and frequently the words of the pursuer fall on deaf ears. But we have no more urgent task.

Some say that it is useless to speak of world peace or world law or world disarmament—and that it will be useless until the leaders of the Soviet Union adopt a more enlightened attitude. I hope they do. I believe we can help them do it. But I also believe that we must reexamine our own attitude—as individuals and as a Nation—for our attitude is as essential as theirs. And every graduate of this school, every thoughtful citizen who despairs of war and wishes to bring peace, should begin by looking inward—by examining his own attitude toward the possibilities of peace, toward the Soviet Union, toward the course of the cold war and toward freedom and peace here at home.

First: Let us examine our attitude toward peace itself. Too many of us think it is impossible. Too many think it unreal. But that is a dangerous, defeatist belief. It leads to the conclusion that war is inevitable—that mankind is doomed—that we are gripped by forces we cannot control.

We need not accept that view. Our problems are manmade—therfore, they can be solved by man. And man can be as big as he wants. No problem of human destiny is beyond human beings. Man's reason and spirit have often solved the seemingly unsolvable—and we believe they can do it again.

I am not referring to the absolute, infinite concept of universal peace and good will of which some fantasies and fanatics dream. I do not deny the value of hopes and dreams but we merely invite discouragement and incredulity by making that our only and immediate goal.

Let us focus instead on a more practical, more attainable peace—based not on a sudden revolution in human nature but on a gradual evolution in human institutions—on a series of concrete actions and effective agreements which are the interest of all concerned. There is no single, simple key to this peace—no grand or magic formula to be adopted by one or two powers. Genuine peace must be the product of many nations, the sum of many acts. It must be dynamic, not static, changing to meet the challenge of each new generation. For peace is a process—a way of solving problems.

With such a peace, there will still be quarrels and conflicting interests, as there are within families and nations. World peace, like community peace, does not reqiure that each man love his neighbor—it requires only that they live together in mutual tolerance, submitting their disputes to a just and peaceful settlement. And history teaches us that enmities between nations, as between individuals, do not last forever. However fixed our likes and dislikes may seem, the tide of time and events will often bring surprising changes in the relations between nations and neighbors.

So let us persevere. Peace need not be impracticable, and war need not be inevitable. By defining our goal more clearly, by making it seem more manageable and less remote, we can help all peoples to see it, to draw hope from it, and to move irresistibly toward it.

Second: Let us reexamine our attitude toward the Soviet Union. It is discouraging to think that their leaders may actually believe what their propagandists write. It is discouraging to read a recent authoritative Soviet text on *Military Strategy* and find, on page after page, wholly baseless and incredible claims—such as the allegation that "American imperialist circles are preparing to unleash different types of wars . . . that there is a very real threat of a preventive war being unleashed by American imperialists against the Soviet Union . . . [and that] the political aims of the American imperialists are to enslave economically and politically the European and other capitalist countries . . . [and] to achieve world domination . . . by means of aggressive wars."

Truly, as it was written long ago: "The wicked flee when no man pursueth." Yet it is sad to read these Soviet statements—to realize the extent of the gulf between us. But it is also a warning—a warning to the American people not to fall into the same trap as the Soviets, not to see only a distorted and desperate view of the other side, not to see conflict as inevitable, accommodation

as impossible, and communication as nothing more than an exchange of threats.

No government or social system is so evil that its people must be considered as lacking in virtue. As Americans, we find communism profoundly repugnant as a negation of personal freedom and dignity. But we can still hail the Russian people for their many achievements—in science and space, in economic and industrial growth, in culture and in acts of courage.

Among the many traits the people of our two countries have in common, none is stronger than our mutual abhorrence of war. Almost unique, among the major world powers, we have never been at war with each other. And no nation in the history of battle ever suffered more than the Soviet Union suffered in the course of the Second World War. At least 20 million lost their lives. Countless millions of homes and farms were burned or sacked. A third of the nation's territory, including nearly two thirds of its industrial base, was turned into a wasteland—a loss equivalent to the devastation of this country east of Chicago.

Today, should total war ever break out again—no matter how—our two countries would become the primary targets. It is an ironic but accurate fact that the two strongest powers are the two in the most danger of devastation. All we have built, all we have worked for, would be destroyed in the first 24 hours. And even in the cold war, which brings burdens and dangers to so many countries, including this Nation's closest allies—our two countries bear the heaviest burdens. For we are both devoting massive sums of money to weapons that could be better devoted to combating ignorance, poverty, and disease. We are both caught up in a vicious and dangerous cycle in which suspicion on one side breeds suspicion on the other, and new weapons beget counterweapons.

In short, both the United States and its allies, and the Soviet Union and its allies, have a mutually deep interest in a just and genuine peace and in halting the arms race. Agreements to this end are in the interests of the Soviet Union as well as ours—and even the most hostile nations can be relied upon to accept and keep those treaty obligations, and only those treaty obligations, and only those treaty obligations, which are in their own interest.

So, let us not be blind to our differences—but let us also direct attention to our common interests and to the means by which those differences can be resolved. And if we cannot end now our differences, at least we can help make the world safe for diversity. For, in the final analysis, our most basic common link is that we all inhabit this small planet. We all breathe the same air. We all cherish our children's future. And we are all mortal.

Third: Let us reexamine our attitude toward the cold war, remembering that we are not engaged in a debate, seeking to pile up debating points. We are not here distributing blame or pointing the finger of judgment. We must deal with the world as it is, and not as it might have been had the history of the last 18 years been different.

We must, therefore, persevere in the search for peace in the hope that constructive changes within the Communist bloc might bring within reach solutions which now seem beyond us. We must conduct our affairs in such a way that it becomes in the Communists' interest to agree on a genuine peace. Above all, while defending our own vital interests, nuclear powers must avert those confrontations which bring an adversary to a choice of either a humiliating retreat or a nuclear war. To adopt that kind of course in the nuclear age would be evidence only of the bankruptcy of our policy—or of a collective death-wish for the world.

To secure these ends, America's weapons are nonprovocative, carefully controlled, designed to deter, and capable of selective use. Our military forces are committed to peace and disciplined in self-restraint. Our diplomats are instructed to avoid unnecessary irritants and purely rhetorical hostility.

For we can seek a relaxation of tensions without relaxing our guard. And, for our part, we do not need to use threats to prove that we are resolute. We do not need to jam foreign broadcasts out of fear our faith will be eroded. We are unwilling to impose our system on any unwilling people—but we are willing and able to engage in peaceful competition with any people on earth.

Meanwhile, we seek to strengthen the United Nations, to help solve its financial problems, to make it a more effective instrument for peace, to develop it into a genuine world security system—a system capable of resolving disputes on the basis of law, of insuring the security of the large and the small, and of creating conditions under which arms can finally be abolished.

At the same time we seek to keep peace inside the non-Communist world, where many nations, all of them our friends, are divided over issues which weaken Western unity, which invite Communist intervention or which threaten to erupt into war. Our efforts in West New Guinea, in the Congo, in the Middle East, and in the Indian subcontinent, have been persistent and patient despite criticism from both sides. We have also tried to set an example for others—by seeking to adjust small but significant differences with our own closest neighbors in Mexico and in Canada.

Speaking of other nations, I wish to make one point clear. We are bound to many nations by alliances. Those alliances exist because our concern and theirs substantially overlap. Our commitment to defend Western Europe and West Berlin, for example, stands undiminished because of the identity of our vital interests. The United States will make no deal with the Soviet Union at the expense of other nations and other peoples, not merely because they are our partners, but also because their interests and ours converge.

Our interests converge, however, not only in defending the frontiers of freedom, but in pursuing the paths of peace. It is our hope—and the purpose of allied policies—to convince the Soviet Union that she, too, should let each nation choose its own future, so long as that choice does not interfere with the choices of others. The Communist drive to impose their political and economic system on others is the primary cause of world tension today. For there can be no doubt that, if all nations could refrain from interfering in the self-determination of others, the peace would be much more assured.

This will require a new effort to achieve world law—a new context for world discussions. It will require increased understanding between the Soviets and ourselves. And increased understanding will require increased contact and communication. One step in this direction is the proposed arrangement for a direct line between Moscow and Washington, to avoid on each side the dangerous delays, misunderstandings, and misreadings of the other's actions which might occur at a time of crisis.

We have also been talking in Geneva about other first-step measures of arms control, designed to limit the intensity of the arms race and to reduce the risks of accidental war. Our primary long-range interest in Geneva, however, is general and complete disarmament—designed to take place by stages permitting parallel political developments to build the new institutions of peace which would take the place of arms. The pursuit of disarmament has been an effort of this Government since the 1920's. It has been urgently sought by the past three administrations. And however dim the prospects may be today, we intend to continue this effort—to continue it in order that all countries, including our own, can better grasp what the problems and possibilities of disarmament are.

The one major area of these negotiations where the end is insight, yet where a fresh start is badly needed, is in a treaty to outlaw nuclear tests. The conclusion of such a treaty, so near and yet so far, would check the spiraling arms race in one of its most dangerous areas. It would place the nuclear powers in a position to deal more effectively with one of the greatest hazards which man faces in 1963, the further spread of nuclear arms. It would increase our security—it would decrease the prospects of war. Surely this goal is sufficiently important to require our steady pursuit, yielding neither to the temptation to give up the whole effort nor the temptation to give up our insistence on vital and responsibile safeguards.

I am taking this opportunity, therefore, to announce two important decisions in this regard.

First: Chairman Khrushchev, Prime Minister Macmillan, and I have agreed that high level discussions will shortly begin in Moscow looking toward early agreement on a comprehensive test ban treaty. Our hopes must be tempered with the caution of history—but with our hopes go the hopes of all mankind.

Second: To make clear our good faith and solemn convictions on the matter, I now declare that the United States does not propose to conduct nuclear tests in the atmosphere so long as other states do not do so. We will not be the first to resume. Such a declaration is no substitute for a formal binding treaty, but I hope it will help us achieve one. Nor would such a treaty be a substitute for disarmament, but I hope it will help us achieve it.

Finally, my fellow Americans, let us examine our attitude toward peace and freedom here at home. The quality and spirit of our own society must justify and support our efforts abroad. We must show it in the dedication of our own lives—as many of you who are graduating today will have a unique opportunity to do, by serving without pay in the Peace Corps abroad or in the proposed National Service Corps here at home.

But wherever we are, we must all, in our daily lives, live up to the age-old faith that peace and freedom walk together. In too many of our cities today, the peace is not secure because freedom is incomplete.

It is the responsibility of the executive branch at all levels of government—local, State, and National—to provide and protect that freedom for all of our citizens by all means within their authority. It is the responsibility of the legislative branch at all levels, wherever that authority is not now adequate, to make it adequate. And it is the responsibility of all citizens in all sections of

this country to respect the rights of all others and to respect the law of the land.

All this is not unrelated to world peace. "When a man's ways please the Lord," the Scriptures tell us, "he maketh even his enemies to be at peace with him." And is not peace, in the last analysis, basically a matter of human rights—the right to live out our lives without fear of devastation—the right to breathe air as nature provided it—the right of future generations to a healthy existence?

While we proceed to safeguard our national interests, let us also safeguard human interests. And the elimination of war and arms is clearly in the interest of both. No treaty, however much it may be to the advantage of all, however tightly it may be worded, can provide absolute security against the risks of deception and evasion. But it can—if it is sufficiently effective in its enforcement and if it is sufficiently in the interests of its signers—offer far more security and far fewer risks than an unabated, uncontrolled, unpredictable arms race.

The United States, as the world knows, will never start a war. We do not want a war. We do not now expect a war. This generation of Americans has already had enough—more than enough—of war and hate and oppression. We shall be prepared if others wish it. We shall be alert to try to stop it. But we shall also do our part to build a world of peace where the weak are safe and the strong are just. We are not helpless before that task or hopeless of its success. Confident and unafraid, we labor on—not toward a strategy of annihilation but toward a strategy of peace.●

THE DEBT BURDEN MUST BE BORNE BY THOSE RESPONSIBLE FOR IT

● Mr. HUMPHREY. Mr. President, the second of a three-part Washington Times series on the international debt dilemma appears today. Columnist Steven K. Beckner explores a most worthwhile and necessary theme; namely, that the primary responsibility for resolving the debt situation must fall upon those whose actions have led to it. The banks must bear the necessary losses which accompany any bad loan, and the troubled economies of the Third World must begin to pursue aggressively policies designed to promote free trade and growth of productive industries.

Unfortunately for all concerned, the pervasive mood in Congress seems to prefer another course: A bailout of the banks and the LDC's through an expansion of the resources of the International Monetary Fund. The $8.4 billion in question constitutes a crutch that we as a nation cannot afford to provide, Mr. President. The banks and the LDC's should be granted no exception to the general rule that individuals and institutions are ultimately responsible for their decisions and actions.

I ask that the article be printed in the RECORD.

The article referred to follows:

THIRD WORLD POLICY CHANGES ARE NEEDED TO EASE DEBT PROBLEM

A few years ago those who warned of a global financial crisis were labeled "prophets of doom."

Now it is fashionable for prominent politicians and academics to predict massive loan defaults, an implosion of the world's credit pyramid and the imminent destruction of the international banking system.

To ward off disaster, governments, including the Reagan administration, are advocating increased funding for the International Monetary Fund and other agencies. They also want special "bridging" loans, standby credit facilities among the central banks and stepped-up lending by commercial banks to the less-developed countries (LDCs).

Congress is being asked to commit the U.S. Treasury to an additional $8.4 billion in contributions to the IMF, which makes conditional loans to financially strapped nations. Also, the administration is requesting increased support for the International Development Association, an affiliate of the World Bank specializing in interest-free loans to impoverished nations.

International banks—those strange hybrids of starched-shirt conservatism, riverboat gambling and Third World philanthropy—find themselves laden with nearly $265 billion in medium- and long-term loans to non-OPEC developing countries. It comes to about half of those nation's total debts.

Banks already have had to reschedule payment on many of these loans. But how vulnerable are our banks?

The banks are doing fine, if earnings are any indication. They were over $15 billion last year, compared with $14.7 billion in 1981 and $7.8 billion in 1976, according to the Federal Deposit Insurance Corp.

American Banker's list of top earners is headed by Citicorp, J.P. Morgan, Bank of America and Chase Manhattan.

If banks are concerned about bad foreign loans, it is not reflected in another key statistic. Reserves for loan losses were up from their 1981 level at the end of 1982, but only by about $1 billlion for banks with assets over $750 million, according to the Federal Reserve.

Smaller banks, which frequently participate in foreign loans, have become more cautious. Locally, Riggs cut foreign loans by $10 million last year and increased reserves for loan losses by $4 million. At its recent stockholders meeting, Riggs Chairman Joe L. Allbritton announced that he intends to "focus our future lending activity more on our domestic business" and to choose international customers "carefully on a conservative basis."

American Security, Riggs' biggest rival, trimmed its foreign loan portfolio by $8 million in 1982, while raising its loan loss reserves by $1 million.

The new bank restraint has met with alarm at Treasury, where Undersecretary Beryl Sprinkel warns, "There is a danger they could go too far and drive other countries now in reasonably good shape into financial difficulty."

Others predict that failure to extend ample credits on easy terms will lead to a "debtors' cartel" and coordinated loan defaults. If that happens, "we're all in trouble," said Richard Puz, executive vice president of the Bank of America, in an interview, "but the likelihood of a debtors' cartel is extremely remote. It's a nice phraseology that defies logic."

Puz likened wholesale default to the U.S. Treasury announcing it's not going to roll over or pay interest on its securities.

In a new study, Joint Economic Committee senior economist Robert E. Weintraub writes that if the nine largest debtor nations "repudiated their external debts and loans to them had to be written down to zero, the loss would represent 150 percent of the capital of our largest banks."

Defaults by Mexico and Brazil alone would "wipe out 95 percent of the capital of the nine largest U.S. banks and 74 percent of the capital of the next 15 largest banks," he notes.

But Weintraub hastens to add that large-scale default is very unlikely and that the threat of widespread bank failures is imaginary. He observes that, although total foreign loans by U.S. banks exceed $343 billion, only $108.2 billion is owed by non-OPEC developing nations.

"There is no aggregate Third World debt problem," he adds. "Banks are exposed significantly in some developing countries and hardly at all in others. Further, different countries have different capacities to handle debt."

The LDCs' debt servicing costs rose from 10 to 25 percent of their exports from 1973 to 1981, estimates an Atlantic Council policy paper.

But, citing economic recovery and reduced interest rates, Weintraub predicts, "it will be easier for all of the nations, excepting possibly Mexico and Venezuela, to service their debts in 1983 than it was in 1981 and 1982."

At the IMF, a high-ranking loan official confident, "There are a number of countries who won't make it through the year and others who won't without a lot of help," but he added, "I'm not suggesting the bigger more publicly visible countries will default in a big way."

Even in the event of default, Weintraub says, "immediate write-downs of loans would neither be necessary nor desirable. The regulators can allow banks time to write down defaulted loans, and it would be disruptive for them not to do so.

"Some banks might fail," Weintraub acknowledged, but "given common-sense behavior by bank regulators and appropriate actions by the Federal Reserve, the collapse of our money and banking systems can be ruled out even in the event of widespread defaults by LDCs."

Senate Banking Committee Chairman Jake Garn, R-Utah, is prepared to accept some bank failures, "If they have to merge so be it," he told The Washington Times.

Others take a harsher view. "I think that if the IMF refused to help these countries certain banks would suffer," New York University Professor Melvyn Krauss told a Manhattan Institute forum. "They ought to suffer the consequences for having made foolish loans, and perhaps they will cease to do so in the future."

International banks didn't get mired in sticky foreign loans all of a sudden. They became entangled as the international monetary muddle developed in the 1970s.

Today's financial flux was not anticipated in July 1944, when the dollar-dominated Bretton Woods regime of fixed exchange rates replaced the shattered hegemony of the British pound. Financial tranquility was to be guaranteed by the U.S. Treasury's vow to pay gold to foreign official holders of dollars at the rate of $35 per ounce.

With nearly 700 million ounces of American gold, there seemed no limit to the flow

of U.S. currency that could buy, at favorably fixed rates of exchange, the goods and resources of other nations. By 1959, the external dollar liabilities of the United States exceeded the official value of its gold holdings. Few noticed, and America kept spending freely. But, by the mid-1960s, the dollar's strong facade had become transparently thin.

Besieged by foreign demands for gold, President Richard M. Nixon bowed to inevitability in 1971 by devaluing the dollar and reneging on the U.S. promise to redeem paper with metal. The dollar was allowed to float against foreign currencies.

Citing dollar depreciation, OPEC responded with sharp oil price increases. With price controls discouraging domestic oil production, the United States became heavily dependent on foreign oil. Via balance of payments deficits, the United States caused a six-fold increase in world monetary reserves within a decade.

The Euro-currency market, where banks lend and relend currencies (three-quarters of them dollars) outside their home borders, mushroomed. With no central bank restraints, the Euro-market grew 25 percent per year in the '70s.

The U.S. government encouraged American banks to lend abroad to help recycle OPEC surpluses to countries faced with climbing oil import bills.

By 1980, the Euro-market had grown to $1 trillion from virtually nothing in 1960. Until a couple of years ago, it was an article of faith that the world was "awash in excess liquidity." Then Federal Reserve Chairman Paul Volcker began turning off the dollar spigot. Soon concerns shifted from double-digit inflation to recession.

The growth of the Euro-currency market has slowed, but it hasn't dried up. The Bank for International Settlements reports that banks' gross external assets rose by $173.6 billion in 1982, down from 1981's $264.7 billion surge but good enough to bring the gross size of the Euro-market to $1.69 trillion.

Throughout the 1970s, America's biggest banks loaned aggressively to non-OPEC developing countries and East bloc countries, dragging smaller banks like Riggs and American Security with them through loan syndications. Too often, little regard was given to a country's ability to repay.

It all began in the 1960s, when a new breed of bankers, seeking to maximize revenues and profits, enhance share prices and bring their institutions into the limelight, began courting international business. So intense was the competition for foreign customers that banks were shoving money at developing countries and cutting their loan margins to the bone in the process.

Mexico, which owes $80.1 billion, is a case in point. "It was very easy for us to pick up the phone and get some more dollars," Finance Minister Jesus Silva Herzog said. "It permitted us to avoid taking some measures we should have taken."

Although the two oil shocks are frequently blamed for Third World debt burdens, Mexico is a net oil exporter. Venezuela, a founding member of OPEC, has debts of nearly $30 billion, which it is attempting to reschedule.

Borrowing by most developing countries was closely related to the effect higher oil prices had in widening current account deficits. But developing countries' debts "grew far more than did their oil bills," a Cato Institute policy analysis notes.

Weintraub observes that Third World "credit appetites did not decline as the current account surpluses of OPEC members fell in 1978 and again after 1980."

The blame has to be shared by Pied Piper banks, Third World politicians all to eager to follow, and our own government.

American banks, restricted in many ways on the domestic front, found foreign avenues more attractive. But, as Garn observes, "You can't put it all on the banks. There were a lot of politicians encouraging them."

Weintraub points the finger at Third World policies of "extremely rapid money growth and huge budget deficits," which produced inflation.

"With exchange rates fixed or at least sticky, inflation reduced exports and increased imports, and thus acted to increase current-account deficits," he says.

Whatever their other disagreements, nearly all students of the problem agree that policy changes in the LDCs must be part of the long-term solution.●

THE HOMELESS

● Mr. DURENBERGER. Mr. President, the number of homeless has grown alarmingly in the past several years. Individuals who may once have been hard-working members of our society now find themselves jobless and without shelter or food.

As the winter months—and resulting cold weather—leave us, we cannot afford to forget these people. It is far too easy to stereotype these nameless faces as "street people" and banish them into a world of anonymity. We must not do that. We must remember that these are fellow human beings who need compassion and support. We must strive to return those who are able to work—to make them self-sufficient once again.

Last December, a conference was held in the Twin Cities to discuss the needs of lower income Twin Citians during these times of economic difficulty. David Schultz, who is the manager of branch I, II, and III, works with the homeless in the Twin Cities. At the conference he identified some of the needs of the homeless—in very human terms. I believe Mr. Schultz' perspective is an important one and would like to share his comments with my colleagues.

At the same meeting, Robert J.N. Ryan presented, for consideration, a proposal to rethink our social policies. Ryan suggested that we attempt to institute an incentive, rather than welfare, system. The goal of such a system, obviously, would be to create a series of successive approximations to independence and health. At a time when innovation is critical, we should look seriously at alternatives like Ryan's.

Mr. President, I ask that the texts of these two articles be printed in the RECORD.

The articles referred to follow:

DAVID SCHULTZ, MANAGER, BRANCHES I, II, AND III

I'm proof of the fact that anyone can walk off the streets, stand up in front of a group and talk. I want to talk to you about street people. That's my business and that's what I consider myself. Branch I, II and III doesn't really identify itself. I think by the fact that there are three of them you know they have something to do with Catholics. Catholics divide everything into three. As a matter of fact, the Branches do have something to do with Catholics. Catholic Charities of the Archiocese of St. Paul and Minneapolis runs Branch I, II and III. We have a fourth, called the Dorothy Day Center, but we did not call it Branch IV because that would not fit into the scheme of things. We have also done a few other sacrilegious things. I hope no one takes this in a bad way, but we're all aware of the fact that bread and wine are very sacred things within a local church. But we have added a new dimension called peanut butter. The Branches and the Dorothy Day Center are known for their peanut butter. If you find yourself out of a job, please come and try one of our peanut butter sandwiches.

I'm going to address the issue of street people economics. In spite of what I just said, I'm going to divide this into three parts. I want to give you some idea of who are the street people and what are their feelings, which I think is often overlooked. I'll look at what they mean when they talk about being safe. Finally, I'll discuss where they're going and where we're going in relationship to them.

If you haven't yet, I encourage you to read Jim Scheibel's background paper. I'm not going to go over his material. It's excellent background data on street people in St. Paul. I will focus my comments on the Minneapolis area.

The term, "street people," is being used a lot these days. I think it can mean any one of us, as a matter of fact. Most street people that I see in the Branches are people who have mental health problems, are poverty stricken, or who may have been involved in some kind of criminal activity. Or they may have been involved or currently are involved in alcoholism. However, I want to stress the fact that alcoholism on the streets only plays an important role for less than one-third of the people. There's a stereotype that says that all people on the streets are alcoholics or have an alcoholic problem. This is completely erroneous.

For some, something destructive occurred back in their lives that put them on the streets. This is where many of us have something in common with the street people. It could have been a death in the family. It could have been a separation or divorce. It could have been incest or family violence. Generally, the people on the streets feel they have been screwed by the system. In order to save face, they have created a whole new system. There have been many famous street people in the past. Jesus was a street person. We oftentimes look down at street people, but a lot of people who have resorted to the streets have done things of great value for us. One example is George Orwell, whose Down and Out in London and Paris talks about his early life as a street person. It also contains a lot of data and a view of street life.

Historically, street people here go back to skid row. When there were skid rows, you didn't hear the word street people. You heard the word skid row. There was a large population prior to 1930. Many of them were immigrants. In 1910, the average age of the skid row person was 34 years old. They were considered part of the surplus labor force; migrant workers of a sort. The foundation of our economic system, as we

know it today, was fostered by them because when people were needed, they were there to work. In the late 1930s, there was a great decline in the number of people on skid row brought about by the great resurgence of our economy. Jobs were becoming more plentiful. People found permanent jobs. But there was a residue of the 1930 group. They were a new group of "skid rowers," called the "losers." They began to blame themselves for their situation.

The old songs, poems and parodies about skid rowers way back illustrate that the life they led was rather glamorous at times. There were a lot of folk tales about it. But by 1930, all that went away. What was left was the fact that this situation was a scar. The people began to feel this. I think that's one of the most important elements to remember about street people even today. There's a scar on them. It has been placed on them. They feel it. We have reassured them of it.

As I've said the average age in 1910 was 34, but by 1958 the average age of the street person was 60. I think that's very significant. In 1958, Minneapolis decided that skid row was a bad scene. We wanted to do away with it. We tore down 200 buildings and displaced 2,900 residents. Of those 2,900 residents, 1,056 were immediately identified as not having another place to go to. We talked about how to build different residences for them. But as time went by and the costs were seen, we decided to forsake that answer. These people were then labeled as transients. To this very day, transients are considered street people, but I can assure you from some of our surveys that at least 25 or 50 percent of the people on the street have been here at least five years, and another 25 percent have lived here over 18 years. This means that the street people here are basically from our area. They were born and raised here.

Street persons tend to be very asocial. Webster's definition of asocial is "to be not social, rejecting or lacking the capacity of social interaction or attitude." That's the kind of behavior I see amongst the street people. They withdraw. They blame themselves. They feel that others blame them. They suddenly become an island unto themselves. They're dropped on the street. They feel they are abandoned by everybody else. There is no god. There is nothing. And this, I think, is one of the things that our economic situation today continues to foster.

When asked which problem caused their current situation, 55 percent answered "no jobs". 35 percent said it was themselves. I think the "self" issue is really annoying, but the job issue is seen as much stronger. The people hold themselves accountable even though there is 10.8 percent unemployment. They hold themselves accountable for the fact that they don't have a job.

Based on our data, generally I don't think you're going to see riots from people on the street. This might be some good news. But the bad news is that there's more and more internalizing of the problem. I think that's a festering that we can't tolerate in our society, even though we have tolerated it in the past. The people are just leading slow deaths. I thought that there would be riots by this time based on what is going on. In fact, I would encourage that kind of reaction.

How do street people feel about a safety net? 81 percent of the people on the streets feel that they need jobs. The answer was one of seven categories that they could choose. 81 percent said they needed jobs. 65 percent said they needed lower housing costs, 63 percent said they needed lower food costs. 44 percent said more housing needs to be built. Only 39 percent said welfare needs to be expanded. People really zeroed in that it's jobs, it's lower housing costs, it's ways that I can deal with things on my own. It's my freedom that they're really talking about. I want freedom. All they really want is a fair chance.

I'd like to read briefly a couple of the comments that were on the survey that we did. The Center for Urban and Regional Affairs (CURA) at the University helped us do the survey work. We surveyed 706 people. Surveys are becoming part of the modern day scene. We have to do more and more survey work. It's really part of the Reagan economic system to stay on top of all the statistics. here are a few comments directly from the street people.

They said, "Give jobs to those who can handle them and help to others". I don't know if any of us can say it better. "Give people a chance to make a decent living." "Help people be aware that they are capable." They said, "leave Indians alone and let them go back to Mother Earth." They said, "Educate people on how to adjust to changes in life."

How do they see the situation right now? 35 percent of them said they are worse off today than they were last year, which was really bad. We've been talking about people who don't have a lot of leeway, one way or the other. 33 percent said they were about the same. 25 percent said that they were better off, but there was no proof of what they meant by better off.

I think it's also very interesting to look at what prediction these people had for the future. 10 percent said they would be worse off next year. 27 percent said they would be the same. 55 percent said that they would be better off. I think that's better than what the people in this room would say.

What is the first choice of help when these people are in need? 38 percent had no answer of where they would go to get help. 25 percent said they would go to friends. 13 percent said they would go to private agencies. 12 percent said they would go to their families. 28 percent said they would go to church and 3 percent said they would go to welfare.

In conclusion, we're seeing a awful lot more people. We see about 400 people a day in each of our branches. And we're seeing a lot more new faces. The question that I am always asked are how many people do you see regularly, and how many people do you see off and on. About 14 percent of our people come back every day. But at least 17 percent of the people are brand new every day. They are brand new, and very ill-prepared for what's happening on the streets. We ask them questions about when they last had a job. For some of them it was just last week. But they have no savings, so when the job went they were out on the street looking and that's it. That's what we're seeing more and more. We continue to allow this to happen.

In closing, I'd like to say that as yesterday's paper reported, transients might have accidentally set the holiday fire. I think the fire shows that a lot of problems in the streets are beginning to be seen: the Craig Jacksons of the world and what's happened there; the Peek children being buried this morning. We can't statistically gather those kinds of incidents. We can't, in this particular room, sit and try to even consider it. It's those kinds of things that really say very clearly we're all in this together. People are always hurrying to get ahead and they don't know what to do to be of help. I'm confident, in lot of ways, that we don't know how to help either. The one thing I do know is that we need to pull together. These are our brothers and our sisters. They're part of us. We can make it together.

The Incentive System

(By Robert J. N. Ryan)

The temptation for the social service professionals to bemoan the unfortunate circumstances we are cast in by administrative fiat is almost overwhelming. But rather than succumbing to that ancient litany of "us against them", I have chosen to see our current fiscal dilemma as an opportunity to examine more effective ways of delivering service to those in need. The method that we are using is based on a timeless formula of providing charity—helping others out of some sense of duty, compassion or sympathy. It has become formalized in this country and is seen as a public right. It is an entitlement. There is an assumed right to housing, food, medical care, clothing, etc.

As social policy debate over the year slowly molded this welfare legacy, another development was taking place which has become the cornerstone of this nation's overall prosperity—the development of competition and the free enterprise system. It is my contention that welfare and free enterprise systems, as we know them today, are mutually exclusive.

Since the free enterprise system (albeit modified by our society's sense of protectionism) has been reasonably successful in the development of our country's industry, I would further contend that it is the logical choice of a model upon which to base the design of a new kind of welfare system.

In this paper, I will introduce suggestions for such a design as I see it. Each of this Forum's sponsors is, no doubt, familiar with different aspects of this concept. My purpose is to present various aspects under one unifying idea. It is my hope that these sponsors and other policy developers will have the vision to look beyond what we have always done before in providing for persons in need, and develop a system that will both meet those needs and be compatible with the socio-economic character of this country.

THE TRADITIONAL WELFARE SYSTEM

Welfare has had many different names over the years, all reflecting some sort of beneficence on the part of the giver. With a few notable and notorious exceptions, welfare has always been a donation. The gift is given based on the largesse of the giver and therefore limited by the resources of the times. The recipients have been defined by some categorical determination of belonging based not on the individual, but on his ability to fit into some grouping. By definition one either is or isn't—is sick or isn't, is poor or isn't, is homeless or isn't, etc. Consequently, there is an inherent disincentive to change one's status. Welfare is an all or nothing proposition. A chronically mentally ill person on GA cannot try living independently, because to do so for just 5 weeks would categorically define him as able-bodied and therefore make him ineligible for all medical benefits. An AFDC mother cannot take the promotion she has worked so hard for because loss of child care benefits will result in a sizeable net loss. The wife of an elderly heart attack patient must spend the couple's whole life savings in

order to qualify for medical benefits that would have only been needed temporarily, thus banishing them to the welfare roles for the rest of their lives.

THE FREE ENTERPRISE SYSTEM

Free Enterprise refers to an economic system in which individuals own and direct the means of production. It is governed for the most part by supply and demand. In our country, the system is not pure, but the effects of the marketplace are nonetheless the determining factor in our economy. Growth and development take place as a result of the relationship between natural resources, capital, labor and technology. A complete study of the system is well beyond the scope of this paper, but suffice it to say that an enlightened self interest leads to investments in the future, thus creating new interests.

This admitted oversimplification is presented only to provide a backdrop against which to view the following suggestions for the creation of a new welfare system.

INCENTIVES

First, it is time to introduce a new name for a system which will not look at all like our old welfare system. For convenience, I will term it the Incentive System. The system might work something like this.

A need is recognized. Let it be that someone is ill, or jobless, or homeless or any combination of those. If there were an incentive (read, self interest) for society to meet this need, it would be that this person might be able to increase society's wealth. (Note here that wealth is meant in the broad sense. Society can gain through more than monetary contributions. However, to keep this example simple, let it mean money.) In keeping with the model of free enterprise, there would need to exist a parallel incentive for the individual; that is, whatever addresses his/her need would have to further self interest. In the economic world, when a need exists, it is met by merging the self interest of the needy with the self interest of the investor. I suggest that social needs can be met in the same manner.

The concept is not new. Rather than only paying the poor's heating bills, investments are being made in energy retrofits. The poor become less dependent, society doles out less money both in heat relief and in petrodollars and both come out better than they were last winter. Such programs are all too rare, though. Rather, the system abounds in disincentives.

The challenge is to design incentives into the remedies for social ills so that we create a series of successive approximations to independence and health in the broad sense. The energy aids program is a step in the right direction, but allow me to offer a few more examples.

The poor, chronically ill, periodically disabled person for whom we pay 100 percent medical, food and shelter begins to show promise of some gainful recovery. We pay more money to give him sheltered employment and job skills training. He gets a part time competitive job and betters his own financial situation because he can keep the first $90.00 of his earnings for personal needs. But as he continues to earn more he quickly reaches a point which is the cutoff for assistance and he is on his own.

At that point, I recommend the Incentive System to go to work. Offer an investment in his future and ours; some sort of a sliding scale perhaps which allows him to earn more while aid is carefully and systematically reduced. Provide a medical insurance program that demands incrementally larger contributions until he reaches full time status in which he may be eligible for company benefits. All the while, he is paying taxes on his earnings and setting himself up to be independent. The alternative is our present "all or nothing" situation. Society pays him for the rest of his life and he loses opportunity and dignity.

Another example centers around catastrophic health care. Under the current system, a family with minimal hospitalization insurance would be financially decimated by a medical catastrophe. The welfare eligibility requirements would force a family into poverty before coming to its aid. If, instead, an investment could be made to cover the short term catastrophe—say a low interest loan or even a grant—the family would continue to be financially independent in all other areas. Tax money would still come in from its working members and its other needs—food, housing and clothing would still be met independently.

Another example can be found in our whole approach to health care. Private insurance, Medicaid and Medicare are all designed with an inherent disincentive to health. They pay for care, not prevention. Millions of dollars are spent addressing the consequences of alcoholism—the lost lives, the destroyed property, the high life and collision insurance rates. A like amount spent investing in prevention and early intervention would benefit the individual, the society, the insurance carriers and the taxpayer.

Obviously the situations described above are oversimplified and a bit naive. I would argue, however, that they should not be dismissed out of hand. Investment, incentive and independence are all integrally tied together. There is risk in such a program, but I maintain that risk which includes a chance for success is far better than the safe route we are on now which guarantees continued failure.

There are a number of questions to be asked and answered. It is not lightly that I suggest we undertake this course. This Forum will listen to many needs assessments and hopefully many proposed solutions. I request that the members of this Forum cast all that information into a new light and that the basis of future reports and actions be geared toward returning incentive to people in need and to those with the resources to provide for needs. I request that these sponsoring agencies, and all the presenters at this Forum shed the disincentives of an archaic welfare system, and accept the challenge and dignity of a new Incentive System.●

SALUTING VOLUNTEER FIREFIGHTERS

● Mr. D'AMATO. Mr. President, in countless communities across our country, men and women respond to the call for help from their neighbors 365 days a year, round the clock, in good weather and in bad, risking their lives and asking nothing in return. They are volunteer firefighters and there is no award, no commendation, no words of praise which can adequately say thanks for their efforts and achievements.

Fireman James Walker of the East Rockaway Fire Department is receiving the Bronze Medal of Valor for his efforts on November 11, 1982, when working with a fellow employee of Manhattan Cable in New York, he noticed an elderly man clinging to life in the freezing waters of the East River. When police efforts to bring the man to shore by helicopter failed, Mr. Walker plunged into the river and dragged the man to shore.

Capt. Timothy Joyce, Fireman Bryan McPherson, and James Joyce, from the Williston Park Fire Department, are receiving the Silver Medal of Valor for their efforts on November 19, 1982. Captain Joyce, despite a broken oxygen mask, found three people sprawled unconcious in the smoke- and fire-filled bedroom of a second-story house. With the help of Firefighters McPherson and Joyce, the three were brought out through windows while Fireman Joyce would subsequently discover the unconcious body of a young girl and carry her to safety.

The Silver Medal of Valor is being awarded to First Assistant Chief Raymond Of, Second Assistant Chief Richard Miller, and Fireman Matthew Corless, all from the Bellmore Fire Department. These men, despite intense heat, flame, and smoke, on August 29, 1982, managed to find a woman who had returned to a blazing house in the mistaken belief that her children were still trapped. Chiefs Miller and Matthew returned time and again to find the woman, and with the help of Fireman Corless, managed to pull the woman to safety.

In my own village of Island Park, Capt. Joseph Annarella on January 27, 1983, was driven back several times by heavy smoke in his attempt to singlehandedly rescue an elderly woman trapped by fire in an apartment. Recognizing that time was slipping away in their effort to rescue the woman, Captain Annarella entered through a rear entrance, battled smoke and flames, and then with the help of Assistant Chief Francis Nicholas, carried the woman to safety.

For extraordinary risk, First Assistant Chief William Pullaro is being awarded the Gold Medal of Honor. On October 4, 1982, realizing the life of an invalid was at stake, he raced into a burning building without protective gear or self-breathing apparatus to drag the injured person to safety. Then refusing medical attention, he directed fire and rescue operations at the scene.

In addition, Mr. President, four civilian awards are going to Nassau County residents who courageously took actions to save lives, regardless of risk and danger.

Thirteen-year old Karen Misrock of Rockville Centre, on April 15, 1982, was babysitting when she heard her 2½-year-old charge coughing. Knowing him not to have a cold, she went

upstairs to find smoke and flames coming from an adjacent room. Closing the door to the fire, thus saving the home from severe damage, she scooped up the child and ran to a neighbor's home for help.

On November 30, 1982, Vincent Corsaro of Rockville Centre ran to a burning car whose driver was injured and unable to leave the vehicle. Despite the threat of injury, Mr. Corsaro removed the person from the car, eliminating the threat of additional serious injuries to the victim.

Freeport resident Richard Touchstone, despite a hearing impairment, heard cries for help from a burning apartment. Without regard for his own safety, he crawled through a fully involved burning apartment, found the victim, a handicapped individual, and managed to drag him from the apartment. Mr. Touchstone's hair and eyelashes were burned off from the intense heat and flames. Although the fire victim died from his critical burns, Mr. Touchstone was willing to lay down his life, if necessary, to rescue another human being.

Mr. William Brown of Baldwin smelled smoke from a nearby house and, upon entering the home, informed two elderly people that their house was on fire. Told of a third person on the top floor, he, along with another man, attempted to wade through intense smoke and heat to reach that person. Even after their jackets caught on fire, they returned to try to effect a rescue. Although their efforts failed, Mr. Brown took great personal risk to try and save another.

Mr. President, as these examples illustrate, volunteer firemen are the finest example of courage and dedication to their fellow human beings. I am proud and humbled to be considered among their members. It is difficult, Mr. President, to properly thank these dedicated, selfless men and women. I ask that my colleagues in this body consider the sacrifices of these volunteer firefighters and join with me in applauding their courage.●

SELLING AMERICA IN THE MARKETPLACE OF IDEAS

● Mr. PELL. Mr. President, as Members of the Senate recognize, our national security depends not only on a strong military but also on the power of American ideals and values abroad. I was, therefore, extremely pleased when the Senate Foreign Relations Committee last week voted to increase funding dramatically for U.S. Government-sponsored exchange-of-persons programs. In so doing, the committee reaffirmed its commitment to the Pell amendment which requires that these programs be doubled by fiscal year 1986. The committee also approved another amendment, offered by me, to protect the academic excellence and nonpartisan character of international educational and cultural programs by giving them a legislative charter.

In taking these important steps, the committee was unquestionably influenced by an extremely thoughtful and persuasive article by Prof. Richard Gardner, our former Ambassador to Italy, which appeared in the March 20, 1983, New York Times magazine. In the article, which is entitled "Selling America in the Marketplace of Ideas," Professor Gardner chronicles the serious decline in U.S. public diplomacy, and in particular in the Fulbright academic exchange programs and the international visitor program. Professor Gardner notes that USIA's fiscal year 1983 budget of $588 million is a mere 0.25 percent of the $209 billion defense budget. Exchange programs are funded at only two-thirds of the 1965 levels; support for foreign translation of U.S. books has declined over the same period from $10 million to $500 thousand; the number of USIA libraries has declined from 254 in 1963 to 132 today with a concomitant decline in attendance from 28 million in 1958 to 3.5 million. Professor Gardner also describes a comparable decline in domestic programs for foreign languages and foreign studies.

As Professor Gardner makes clear, the consequences of this neglect are very serious. Citing examples from his experience in Rome, Professor Gardner points out that the Federalist Papers and many of the other great documents of American democracy are no longer in print in Italian. By contrast, Italian translations of Marx, Lenin, and Stalin are widely available. The decline in officially sponsored Italian international visitors from 200 to 30 reduced the possibilities for U.S. influence in Italy at the very time that Italy was making crucial decisions relating to the future of NATO. The decline in foreign studies and foreign languages has, among other consequences, affected the ability of the foreign service to recruit qualified officers with a language background.

Professor Gardner makes a number of constructive suggestions to counter the decline in our public diplomacy. I am, of course, pleased at his endorsement of my amendment mandating a doubling of exchanges by fiscal year 1986. Professor Gardner says he would prefer to go further and advocates a quadrupling of the Fulbright, international visitor and related programs. I heartily concur, since my original proposal was for a 10-fold increase in those programs. Professor Gardner estimates a 4-fold increase would cost no more than four F-15's—a 10-fold increase would still be less expensive than a squadron—but would be a boost of incalculable value to our national security.

Professor Gardner also advocates separation of USIA's short-term informational activities from the long-term educational and cultural programs. I share Professor Gardner's belief that the informational functions have come to dominate and distort the educational and cultural programs. The Foreign Relations Committee has addressed this problem by adopting my amendment to give USIA's Bureau for Educational and Cultural Affairs a legislative charter. I believe this proposal will help insure the scholarly integrity and nonpolitical character of these programs thus preserving their credibility abroad.

As the Senate proceeds to consider the foreign relations authorization legislation, I would urge Members to consider the case advanced for an effective public diplomacy in Professor Gardner's splendid article. I therefore ask that the article be printed in the RECORD.

The article referred to follows:

SELLING AMERICA IN THE MARKETPLACE OF IDEAS

(By Richard N. Gardner)

Alarmed by Soviet leader Yuri Andropov's peace offensive in Europe, President Reagan recently established a Cabinet-level group under the chairmanship of the national security adviser William P. Clark to "coordinate . . . national security public affairs matters of Presidential interest." He also called home our Ambassador to Ireland, Peter H. Dailey, his 1980 campaign advertising manager, to help firm up European support for the deployment of the Pershing 2 and cruise missiles.

"The President is not known as the Great Communicator for nothing," an unnamed State Department official was quoted as saying. "He is recognizing that public diplomacy plays a large part in the world."

Having spent four years on the front lines of European diplomacy as Ambassador to Italy, I read these news items with mixed emotions. I felt a twinge of hope that our long years of neglect of "public diplomacy" might finally be coming to an end. I also felt concern, which has not been diminished by recent events in Washington, that the White House and the Washington bureaucracy are looking for a quick advertising fix for a current foreign policy "crisis," and have no comprehensive long-term vision of "public diplomacy" as a vital element in American foreign policy.

In these last decades of the 20th century, "public diplomacy" ought to be conceived as a nation's efforts to project its values, purposes, interests and policies to the people of other countries and to understand, in return, their values, purposes, interests and policies. It is more than just "selling" the official policy of the moment through the daily mass media, important as that element is. "Public diplomacy" has to do with assuring an effectively functioning "intellectual connection" between one's own and foreign countries.

The British, the French, the Germans and the Japanese have long understood "public diplomacy" in this broad sense and have applied resources and intelligence to programs of information, education and culture to assure the vitality of the "intellectual connection" between themselves and other soci-

eties. The United States has not. As long as this remains the case, we will lack the ability both to shape a foreign policy that takes account of the real world and to influence foreign countries in ways that are consistent with our long-term interests.

We will continue to bemoan the fact that people overseas are poorly informed about the nature of our society and our foreign policy—that so many students, workers and intellectuals in Europe, Japan and the developing countries are convinced that both the Soviet Union and the United States represent threats to their interests—and that American embassies and the American intelligence community are frequently taken by surprise by foreign developments (the collapse of the Shah's regime being only one dramatic example).

This is the real "window of vulnerability" about which we should be concerned—for it is contributing to the progressive political isolation of the United States.

In fiscal year 1983, our country is spending $209 billion for national defense. In this same fiscal year, the operating budget for the United States Information Agency is about $588 *million*—or about 0.25 percent of our military spending. Of that amount, less than $100 million will be available for educational and cultural exchange programs. In real dollar terms, these programs are now operating at two-thirds of 1965 levels.

The Fulbright program for the exchange of scholars and students that supported the exchange of about 7,600 people in 1965 is now down to 5,000. The number of foreign leaders coming to our country each year for short visits under the International Visitor program is down to about 1,700 from a high of more than 2,400 in 1966. The book publishing program of the U.S.I.A. for foreign translation of American books has been gradually reduced since the 1960's from $10 million to $500,000 a year. The number of U.S.I.A. libraries and reading rooms overseas has been reduced from 254 in 1963 to today's 132; annual attendance at those libraries is down from 28 million in 1958 to 3.5 million.

We are thus deliberately destroying some of our principal vehicles for influencing future generations of leaders in allied, neutral and adversary nations. We are denying our foreign policy one of our greatest sources of strength as a nation—our system of higher education and our rich pluralistic culture. We have also shamefully neglected the education of our young people in foreign languages and foreign area studies. All this seems to me the height of folly.

The consequences of this continuing neglect of "public diplomacy" in its proper sense—of our failure to give adequate support to the "intellectual connection" in our foreign policy—were painfully evident to me during my years in Rome. Here are a few representative items in an ambassadorial mosaic:

Item: In the early weeks of my tenure as Ambassador, I asked to see an Italian translation of "The Federalist," perhaps our most representative book of American political philosophy. I was told, with some embarrassment, by the embassy's cultural section that the Italian edition had been out of print for many years. I then asked for a list of Italian editions of Marx, Lenin, Stalin and other representative writers in the Soviet pantheon. The cultural office found well over 100. I also learned, through my teen-age daughter, that her best friend, an Italian girl studying for her university exam in American history could not find anywhere in Rome an inexpensive paperback history of the United States in Italian—except for works by Italian Communists and American revisionist historians.

Item: During my last year as Ambassador, a major assignment for the embassy was to work with the Italian leadership on the deployment of the cruise missiles in Italy as part of NATO's program of theater nuclear force modernization. It was not an easy decision for Italy to make in the face of opposition by the Communist Party, representing 30 percent of the electorate.

Two Italians played a key role in Italy's courageous decision to take the missiles—the Prime Minister Francesco Cossiga, a Christian Democrat, and a Socialist leader, Lelio Lagorio, who later became Minister of Defense. Each had come to the United States on the International Visitor program—the small but significant enterprise that brings to this country for brief visits young leaders in the fields of politics, labor, journalism, education and the arts. Both told me their visits had been important in changing their hitherto skeptical attitudes toward our country.

The cost of their visits at the time was about $2,000 each, but who can put a value on the contribution that those visits may have made to Western security? Yet the International Visitor program, which once brought 200 Italians to our country each year, was down to 30 when I arrived in Italy. We used Washington's fear of Communist entry into the Italian Government to get it up to 50; as the Communist threat receded, the number slid to 30 once again. It is a measure of the shortsightedness of our Government that this program, which has as alumni at least 35 foreign heads of state and prime ministers, has to fight every year just to stay alive, much less be funded at an adequate level.

Item: During my first year as Ambassador, I learned that we had spent tens of millions of dollars since World War II on our educational and cultural programs in Italy, but we (and the Italians) had so neglected the teaching of English that fewer than one Italian in 20 can now speak English with a reasonable degree of fluency. Both Italy and the United States share a heavy responsibility for this sad state of affairs, which continues to be an obstacle to understanding between the two countries as well as to Italy's full participation in an alliance system in which English is the basic language of communication.

After much table pounding in Washington, I was able to get a small sum of money, supplementing additional funds in Italy's own budget, to train Italian teachers of English—and, vice versa, to increase aid to our rapidly growing but inadequately staffed Italian language programs in American schools. But the level of American effort in this area is still pitifully small—as is the support given by both the Italian and American Governments to the teaching of American history, literature and contemporary civilization in Italian schools and universities.

Item: When my wife and I arrived in Rome, we naturally asked to see the embassy guest lists. Whom an ambassador invites to receptions, dinners and cultural events not only does much to determine his capacity to understand and influence the leadership of a foreign country, it also shapes the leadership's perception of him and the Administration he represents.

So we were surprised to find that key editors, journalists, trade union leaders, scholars, artists and writers had been notable by their absence from embassy functions. From the cultural world, for example, the Ambassador's residence had not seen Federico Fellini or Lina Wertmuller, Giacomo Manzu or Renato Guttuso, Leonardo Sciascia or Alberto Moravia. They had not been invited, we were told, because they were "left wing." And, of course, they were: They were Socialists and radicals and some were even Communists. But they were also prime movers in the world of ideas—artists, writers, film makers, who helped shape Italy's values.

These and other figures from the intellectual and artistic world, including, of course, missing moderate and conservative personalities, were quickly added to our guest lists. It turned out that some of the "leftists" could be good friends of the United States, given half a chance.

Item: During most of my service as Ambassador, there was no one in our embassy, including our large information and cultural section, who knew anything about the history of ideas in Italy or who even cared to find out. This was damaging our embassy's effectiveness politically as well as culturally, since the contemporary clash of political ideas in Italy cannot be understood except in historical context.

One day, I asked a cultural affairs officer to perform a service for himself and other members of our embassy by preparing a memorandum on some of the great thinkers whose ideas have shaped contemporary Italy—Giuseppe Mazzini, intellectual father of the Risorgimento; Antonio Gramsci, the patron saint of Italian Communism; Filippo Turati, the Democratic Socialist; Luigi Sturzo, founder of modern Christian Democracy, and Benedetto Croce, the liberal philosopher. But the cultural affairs officer told me I had made an unreasonable request: neither he nor anyone on his staff could prepare such a memo. Not only that, but writing memos about the ideas that had shaped modern Italy was not part of his job description. In despair, I accepted a compromise: In place of the memo we circulated photocopies of the relevant entries in the Encyclopedia of the Social Sciences.

Item: On the eve of my departure for Rome, I asked the Council on Foreign Relations to assemble members of that small band of American scholars who make a profession of studying contemporary Italy. Inevitably, the dominant question of the meeting was the Italian Communist Party, which then seemed on the threshold of power. I expressed misgivings about what Communist entry into an Italian Government might mean for the Western alliance and cited the stridently anti-American tone of the Communist and pro-Communist press.

A young Harvard professor, then much in vogue as the American interpreter of "Eurocommunism," interjected: "You don't understand: The Italian Communist Party is not anti-American." Several years later, I gave him a fat collection of clippings from the Italian Communist press, a veritable treasure of anti-American calumnies, including insinuations that the United States was behind the Red Brigades and the murder of Aldo Moro. It moved him not at all, for the principal influence on his thinking was what party leaders had been telling him in the United States, not what the party was actually saying and doing in Italy. (Eventually I concluded that our academic community has only three or four people who really qualify as experts on contemporary

Italy. I know of none in the United States Government.)

These pieces of an ambassadorial mosaic illustrate some deficiencies in our "intellectual connection" with the rest of the world. What is to be done? I shall venture some specific remedies in a moment, but first it may be useful to consider some basic ideas of which any reform program should take account.

I begin by recalling the advice I received from the Italian journalist Luigi Barzini when I began my service in Rome. "The most important thing you can do," he said, "is to radiate American ideals." Not such bad advice for an ambassador. But, of course, an ambassador can do this effectively only if our foreign policy itself also "radiates American ideals."

If we give the impression to the world that we do not know the difference between dictatorships and democracies, if we give uncritical support to "authoritarian" regimes in the name of anti-Communism, if we seem to lack a genuine commitment to arms control, if we appear indifferent to critical world issues like poverty, hunger and environmental degradation, and if we break with our bipartisan tradition of American leadership in the quest for a rule of law among nations, we cannot expect enthusiastic support from thoughtful people in other countries.

We seem to have forgotten the obvious truth that you don't defend national security with arms alone. The Soviet SS-20 missile is a threat to European security, but just as great a threat is the slow and steady erosion of common values and interests that is the foundation of the Atlantic alliance. More than a quick-fix advertising campaign will be necessary to meet this challenge.

Our overseas educational and cultural programs will not be successful if they are little more than exercises in anti-Soviet propaganda. Charles Z. Wick, the head of U.S.I.A., told a Congressional committee: "We are refuting the massive Soviet campaign of disinformation and misinformation about us and our intentions in the world. . . . We must recognize, however, that this agency is a critical component of our national security apparatus, and that we are waging a war of ideas with our adversaries."

This seems to me a very incomplete description of what the U.S.I.A. should be doing—yet it has become the dominant theme in the Reagan Administration. Doubts about the U.S.I.A.'s excessively strident and narrowly ideological approach are behind the skepticism that both Democratic and Republican members of Congress are now expressing about "Project Democracy"—the Reagan Administration's still undefined initiative to promote democratic values and institutions around the world. If our cultural and educational programs are conceived as in the service of a "war" or "crusade" against our adversaries, if they seem to reflect only the limited views of a particular United States Administration on the meaning of the democratic experience, they will be distorted from their proper purposes—"radiating American values" to the world and building the "intellectual connection" with foreign societies.

Obviously there is a crucial role for the informational arm of the United States Government—including the combating of Soviet disinformation—and the current strengthening of the Voice of America is long overdue. But there is another function to be performed, separate from this tactical, day-to-day, foreign-policy-related role: It is the function of educational and cultural relations, which is now, sadly, increasingly subordinated to the propagandistic and political.

Consider what is happening to one of the most valuable programs we have in the educational and cultural field—the "American Participants" program, which sends American scholars and professional people abroad for short periods to give lectures and meet with foreign counterparts. In previous Administrations, Republican and Democratic, there was never a partisan loyalty test applied to the lecturers chosen to go abroad under those programs. One of the great strengths of the "American Participants" program was that it reflected our pluralistic society with a diversity of American views. But today someone under consideration to participate in this program is asked if he is prepared to support the foreign policy of the Reagan Administration. As the word gets around that we are running a propaganda agency for current policy, the credibility and effectiveness of the program in foreign countries will be fatally compromised.

So much for the philosophy of what we should be trying to do. Now for some proposals about how to do it. If we are really concerned to remedy our flawed "intellectual connection" with foreign societies, here are four areas where changes will be required:

First and foremost, we need a top-to-bottom improvement in the quality of the people who represent us overseas. Americans have fallen into the habit of thinking that ambassadors and embassies have become irrelevant luxuries, obsolete frills in an age of instant communications. We make the mistake of thinking that if a sound foreign policy decision is approved at the State Department or the White House, it does not much matter how it is carried out in the field. This is a dangerous illusion indulged in by no other major country.

Ambassadors today need to perform multiple roles. They should be the "eyes and ears" of the President and Secretary of State; advocates of our country's foreign policy in the upper reaches of the host government; resourceful negotiators in bilateral or multilateral diplomacy. They should also "radiate American values" as intellectual, educational and cultural emissaries, communicating what our country stands for to key interest groups and intellectual leaders as well as to the public at large. To this end the Congress provided in the Foreign Service Act of 1980 that "ambassadors should possess knowledge of the language and of the history, culture, economic and political institutions of the country to which they are accredited."

That was a good law. The trouble is, it isn't being applied. The issue here is not one of "career" versus "political" appointees. The issue is the professional and personal qualities that a particular appointee brings to service in the country of his assignment, including knowledge of the language.

Would anyone consider a foreign ambassador in Washington to be qualified who could not read The Washington Post or The New York Times, could not understand what was being said on the evening news, could not talk on delicate matters without an interpreter to Congressmen, columnists or leading officials of the country? And suppose he neither knew English nor had any previous knowledge of our country—and indeed, had no diplomatic experience at all?

No less serious is the situation below the ambassadorial level, where the job of making the "intellectual connection" falls mainly to the Foreign Service and the career service of the United States Information Agency. Both services, of course, still contain some highly qualified people. But there has been an alarming exodus of senior career officers opting for early retirement in both the State Department and the U.S.I.A. in exasperation with less than competitive salaries and the filling of jobs with unqualified political appointees.

The new recruits are of uneven quality, and this should not surprise us. A young person entering either of these career services today begins at a salary of about $20,000 a year, while our best law and business-school graduates begin at more than $40,000. Unless we give urgent consideration to improving the financial and professional rewards of Foreign Services and U.S.I.A. career-service employees, their quality will continue to decline—and with it the quality of our "intellectual connection" as well as our general diplomacy.

We have tried a variety of institutional arrangements for the conduct of international educational and cultural programs since their beginnings in 1938. Five years ago, the Carter Administration eliminated the State Department's Bureau of Educational and Cultural Affairs, merging its functions with informational activities in a single agency, the International Communication Agency (now renamed the United States Information Agency). The merger, as many predicted at the time, was a serious mistake. The U.S.I.A.'s short-term informational functions have tended (more than ever in this Administration) to dominate and distort the educational and cultural programs.

The time has come to separate these functions again. One possibility is to move educational and cultural affairs back into the Department of State, but this will work only if the Secretary of State is prepared to appoint a non-political personality of superior quality from the private sector to the re-created post of Assistant Secretary for Educational and Cultural Affairs, with the necessary independence to assure the integrity of these essential programs. If this cannot be done, we should consider a second option—setting up a hybrid public-private foundation, as the former Assistant Secretary of State for Educational and Cultural Affairs Charles Frankel once proposed, supported by both Government and private funds to carry out the educational and cultural exchange programs.

Changes in the Washington organization would need to be matched by changes overseas. Our cultural affairs officers now work under the authority of a counselor for public affairs (the head of the U.S.I.A. in embassies abroad), whose main responsibility is informational support of our day-to-day foreign policy requirements. In other words, the embassies reflect the same subordination of the cultural and educational programs that currently characterizes the Washington headquarters.

To change this, we should create a separate and upgraded counselor for cultural affairs, who would report directly to the ambassador. We could then attract distinguished people from our universities and centers of culture to take two- to three-year appointments as cultural counselors, at least in key countries such as Italy.

Without significantly increasing financial resources, no reforms in the personnel system or organizational setting will remedy our flawed "intellectual connection." Unfortunately, the present Administration has so

far accorded relatively low priority to the educational and cultural dimension of public diplomacy in its budgetary decisions.

In 1981, when President Reagan proposed a 12 percent across-the-board spending cut by Federal agencies, the Director of the U.S.I.A. decided to apply the cut almost entirely to the educational and cultural programs. This would have meant a 60 percent reduction in the Fulbright and International Visitor programs. The Fulbright program would have ended in 61 countries, mainly in the third world, where the Soviet Union already offers more than seven times as many fellowships as the United States. Fortunately, there was such a protest from the Congress, from the academic world and from the press that the U.S.I.A. was forced to reverse its decision. The Reagan Administration then asked and received a level of funding for fiscal 1983 which, after inflation, is marginally higher than it was for 1982 and previous years.

An amendment sponsored by Senator Claiborne Pell, Democrat of Rhode Island, and passed by the last Congress calls on the U.S.I.A. to double its exchange programs. I believe we should go still further. We should quadruple the Fulbright, International Visitor, and book and library programs in stages over the next several years. The annual cost would be equal to that of four F-15 aircraft or one-quarter of a Trident submarine. We can afford *both* a strong defense and a fully funded public diplomacy. What will it avail us to have the most modern weapons if we wind up with no friends or allies?

During my four years in Italy I came to be preoccupied not only by the decline in our overseas cultural and educational programs, but also by the shocking neglect of our nation's domestic programs in foreign languages and foreign studies. Of the more than 1,000 positions in the State Department identified as requiring foreign language ability, only two-thirds are now adequately filled. In an excellent polemic on this subject, "The Tongue-Tied American," Representative Paul Simon, Democrat of Illinois, recounts a telling detail: At our American Embassy in Teheran in 1978, the year the Shah was overthrown, only six of the 60 Foreign Service officers were even minimally proficient in Farsi, the language of the country.

How well are we preparing our young people for the world of today—not to mention the world of the 21st century in which they will be reaching the peak of their professional careers? Only 5 percent of the Americans graduating from college can function adequately in a language other than their mother tongue. Only 1 percent of our private and public elementary schools offer any foreign language at all—and often that language is taught by people with little enthusiasm or expertise. Yet we all know that languages are best learned very early, preferably beginning when students are in third or fourth grade.

Four years ago, the President's Commission on Foreign Language and International Studies, headed by the educator James A. Perkins, described our nation's incapacity in languages and foreign studies as "scandalous." That report was presented to President Carter and quickly forgotten. The Reagan Administration has shown little interest in the problem. Indeed, in its budget for fiscal year 1984, it has proposed to eliminate all funding for foreign language and foreign studies in Title VI of the Higher Education Act.

In the face of such indifference, it is now up to Congress and to academic, business and professional groups around the country to ask that language requirements be re-established in our major universities and that language and foreign studies be given greater priority.

Finally, and perhaps most important, we should start teaching languages in the third or fourth grade of our public and private schools. Some local educational systems are finally moving to do this. But our Federal Government must take responsibility for financing a national effort in a matter that is so fundamental to the security of our nation and the welfare of our people. That is the central message of the National Council on Foreign Language and International Studies, a group of private citizens established as a result of the Perkins report, which is mobilizing support for the report's recommendations in the Congress and the private sector.

Lyndon Johnson was not a popular President with the American intellectual community. Yet, of all our Presidents, it was he who best defined our national agenda in public diplomacy in a speech at the Smithsonian Institution in 1965:

"We know today that . . . ideas, not armaments, will shape our lasting prospects for peace; that the conduct of our foreign policy will advance no faster than the curriculum of our classrooms, and that the knowledge of our citizens is the treasure which grows only when it is shared.

"That is why I have directed a special task force within my Administration to recommend a broad and long-range plan of worldwide educational endeavor.

"First, to assist the education effort of the developing nations and the developing regions.

"Second, to help our schools and universities to increase their knowledge of the world and the people who inhabit it.

"Third, to advance the exchange of students and teachers who travel and work outside their native lands.

"Fourth, to increase the free flow of books and ideas and art, of works of science and imagination.

"And fifth, to assemble meetings of men and women from every discipline and every culture to ponder the common problems of mankind."

The principal drafter of President Johnson's speech 18 years ago was that pioneer in enlightened public diplomacy, Charles Frankel. How long must we wait until another President, aided by someone like Charles Frankel, will speak again in that way, summoning us to our responsibilities as a nation?●

CRIME AND THE FEDERAL COURTS

● Mr. HELMS. Mr. President, the level of crime in America is, simply put, intolerable. Although the trend lines are not without some encouraging signs, the fact is that government, both State and Federal, is not doing the job it should be doing to detect, arrest, and convict criminals. Keeping the peace and securing order is the first duty of government in a free society, and the sad reality is that we today are not adequately discharging this duty.

By and large, the administration of criminal justice is the responsibility of State governments in our Federal system. This scheme was the way the Framers of the Constitution intended, and the way it ought to be. With some notable exceptions such as organized crime, the States are fully capable of enforcing basic criminal laws.

However, Mr. President, the States have been severely handicapped in fighting crime in recent years by rulings of the Federal courts. This fact would come as a great shock to the Constitution's drafters who took such pains to limit the power of the Federal Government so that it would not interfere in the legitimate functions of the States. Despite these well-laid plans, the Federal judiciary has inflicted heavy blows in recent years to the capacity of the States to fight crime.

The whys and wherefores of this situation have been ably brought out by the former chief of police of Herndon, Va., in a column in the Washington Post of May 1, 1983. Walter J. Bishop says quite accurately:

> Our (federal) judicial system is a mockery and will continue to be as long as judges are too concerned with root causes of crime or with technicalities to worry about justice for the community.

Mr. President, this Senator for one is committed to doing whatever is necessary to restore the balance in our Federal system so that the States can do the job of fighting crime which the Constitution wisely entrusts to them. To a large extent, this means congressional reform of the Federal judiciary. In short, fighting crime in Congress means correcting wayward Federal judges. Fortunately the Framers, in providing checks and balances among the three branches of the Federal Government, did provide Congress with ample powers to do this job. In this regard, I call on my colleagues both here in the Senate and in the House to move forward expeditiously to enact the Federal judicial reform required to put the States in the position to effectively reduce criminal activity.

Mr. President, I ask that "Our Judicial System Is a Mockery," by Walter R. Bishop, a veteran police officer and former chief of police of Herndon, Va., appearing in the Washington Post of May 1, 1983, be printed in the RECORD.

The article referred to follows:

[From the Washington Post, May 1, 1983]

OUR JUDICIAL SYSTEM IS A MOCKERY

(By Walter R. Bishop)

I am tired—tired of attorneys, judges and "experts" with academic credentials who don't know anything about crime telling the police how to solve the crime problem. They have no concept of the day-to-day problems faced by police officers.

Despite great strides by police departments, it is never enough. The police are continually told to improve, but the courts,

a contributing cause of the crime problem, continue to do it their way—and damn the American public.

Gadgets and innovations were the answer of the "bleeding hearts" to adverse and often ridiculous court decisions in the '50s. These same individuals were quick to shout down protesting police administrators during the controversial Warren Court decisions. They encouraged police administrators to accept these decisions as challenges to be solved with innovation and leadership.

One famous attorney interviewed on television pointed out that the decisions were having no impact on cases brought to trial and that the police had overreacted. What he failed to address was the adverse effect the decisions had on crime-prevention activities by the officer on patrol, which subsequently afforded the criminal additional movement without fear of arrest. Police officers have been so intimidated that they are afraid to act.

The police administrators of that era were street-wise. They recognized the consequences of the court decisions, but the policy was to refrain from speaking out, thus keeping police departments nonpolitical. The administrators who did speak out—often those on the brink of retirement—incurred the wrath of the press and of the shocked but vocal idealists.

After 20-some years of modernizing police departments without substantially reducing the crime rate, the "experts" are again blaming the police, this time for cases being lost in court. There is always room for improvement, but how did the courts manage to come out unscathed?

Usually, the police officer who makes an arrest on the scene, or shortly thereafter, is faced with a jumbled puzzle that he is required to piece together quickly under the pressures of the particular crime and the necessity of handling other calls or investigations that are waiting; or, he makes an arrest based on brief observations of a violation during rapidly changing situations.

During the initial on-scene investigations, additional personnel are not available to solve the crimes as easily as shown on those television programs. In actual practice the officers must do the best they can with the available facts and whatever else they may be able to uncover between assignments. Certainly the cases cannot be solved as meticulously as the courts, in their sterile environment want—as desirable as that may be.

The court system makes these demands while making it difficult or impossible to obtain evidence to fulfill their demands. Prosecutors want the ideal case, but the "school" solution is seldom attainable in the streets. The police officer must deal with the facts that are available—legally available. Frequently, these facts are elusive and are lost with time.

The good prosecutor should be able to help the officer strengthen the case and then demonstrate his ability to successfully prosecute, not "wheel and deal," as is often the case, to avoid a long trial.

Chief Justice Warren Burger demonstrates a concern and a knowledge of the problem, although some of his solutions could make incarceration an even more acceptable alternative to the criminal who is devoted to a life of crime. But it is a better option than a recommendation being proposed to reduce the use of prisons.

Actions in the Maryland correctional system again demonstrate the futility of releasing hardened criminals into community programs. A federal appellate court judge argues against the expenditure of billions of dollars for prisons, stating that the ugly realities behind street crimes have not been confronted. But the immediate problem is not political, as he implies: rather, it is a result of years of liberal interpretation by the judge and his associates who feel that, say, a 10-year sentence for a narcotic wholesaler with prior convictions is "cruel and unusual punishment."

Frequently, what appears to be a long prison sentence is not. If the sentence is concurrent, the individual merely serves one term. It is a farce to sentence an individual to concurrent prison terms for multiple charges. Even a stiff sentence by a judge will be substantially reduced by early-release programs, good-time release, parole, etc. An individual sentenced to life plus 50 years may be out in approximately 12 years.

Crimes committed by juveniles have become a serious national problem, yet instead of teaching our youngsters the difference between right and wrong, we are teaching them to remain silent and to request an attorney when arrested. We are teaching them how to beat the system. The state of Virginia publishes for the juvenile a step-by-step guide through the Juvenile Justice System. The National Council on Crime and Deliquency published a booklet, "You have the Right, If You Know It." Is advising a juvenile of his rights supposed to be a crime deterrent?

We are dealing with immature youngsters' lives, not playing a courtroom game. Why does the criminal justice system need an "angler" to find loopholes or a "burlesquer" to put on a show for the judge and jury? What the juvenile needs is a more personal relationship between the judge, the parents and the juvenile during the early stages of delinquency.

Our judicial system is a mockery and will continue to be as long as judges are too concerned with root causes of crime or with technicalities to worry about justice for the community.

Apparently that appellate judge is waiting for Americans to take the law into their own hands—as has happend in some jurisdictions in our country: attempts to form vigilante groups; an attempt to pass a homeowner's bill in Florida authorizing the shooting of trespassers; a Baltimore grand jury's recommendation that unrehabilitated rapists be castrated; an increase in gun purchases; or the beating of criminals by citizens.

As Chief Justice Burger pointed out, we have carried the question of constitutionality far beyond its intent—to the point of being unreasonable. Can our nation afford to permit so many of our young people to go down the drain while we argue about the constitutionality of paraphernalia laws? Did the framers of our Constitution envision movies and magazines depicting abnormal sex acts as "freedom of speech?" Could our forefathers have envisioned a judge placing technical constitutional values over our citizens' personal safety? How far are we going to distort the intent of the Constitution?●

MASSACRES AND TORTURES IN NICARAGUA

● Mr. ARMSTRONG. Mr. President, on January 24 of this year, Time magazine published an interview with Roberto Guillén, a military counterintelligence officer for Sandinista Defense Ministry in Nicaragua, who has since joined the insurgents headed by the hero of the anti-Somoza revolution, Eden Pastora. Senor Guillén sheds new light on the brutal character and methods of the Marxist junta that presently is misruling his country. I ask that Time's interview with Guillén be printed in the RECORD.

The interview follows:

NEW REGIME, OLD METHODS—A DEFECTOR'S FIRSTHAND ACCOUNT OF MASSACRES AND TORTURE

(NOTE.—When the Sandinistas toppled Anastasio Somoza Debayle and seized control of Nicaragua in 1979, many in the country hailed the victory as an end to the tyranny of the Somoza years. Yet over the past year evidence has surfaced showing that the Sandinistas are equally capable of repression and brutality. According to Nicaragua's Permanent Commission on Human Rights, the regime detains several hundred people a month; about half of them are eventually released, but the rest simply disappear. Roberto Guillén, 23, served as deputy chief of military counterintelligence for the Defense Ministry, but grew so disenchanted with the tactics of the government that last August he fled to join Edén Pastora Gómez, a hero of the Sandinista revolution who defected in July 1981 and is now based in neighboring Costa Rica. Guillén's parents subsequently sought refuge in the Venezuelan embassy. In an exclusive interview with Mexico City Bureau Chief James Willwerth, Guillén detailed the secret jails, torture methods and unprosecuted murders committed by the Sandinistas, including the systematic killing of Miskito Indians in the northeast department of Zelaya. Guillén's account.)

In the beginning, we were trained to work against terrorists and spies from other countries. But then we were instructed to work against comrades within the Ministry of Defense. Every individual who was not in agreement with the politics of the Sandinista National Liberation Front was considered to be an excessively dangerous element. For example, people who had disagreed politically with the National Directorate [the nine-member body that oversees the ruling three-man junta] began to face trumped-up charges of theft, even murder.

Clandestine jails are organized by zone, distributed among the different security organizations. In Managua, for example, military counterintelligence has a mechanics shop eight blocks south of the Casa del Obrero, a union headquarters. Behind the store are two cells against a wall. Each cell is less than a meter wide and a meter deep and two meters high. The prisoners inside were always handcuffed, gagged and blindfolded. They were usually put in these cells for softening up, or for depersonalization. Sometimes they were foreign spies: Hondurans, Guatemalans, sometimes intelligence agents from the United States. I recall two U.S. agents who were shot. One was Puerto Rican; the other was from New Orleans. The Puerto Rican had been captured trying to get information on arms traffic between the Soviet Union, Cuba and Nicaragua. It was not so difficult to catch U.S. spies. The U.S. intelligence services always underestimated the Nicaraguan counterintelligence capacity.

In the basement of a onetime military academy in Managua, there is a dark, unventilated underground prison that can hold 20 people. At the Montelimar military base, there are several underground jails

dug into the rocks. They are at sea level. At high tide, the water enters and comes into the cells up to the chest level of the prisoner.

Physical torture has two forms. One consists of beatings, electric shocks, blows to the testicles, and so forth. The methods proved to be more effective by the KGB and Cuban intelligence are both more complex and simpler for obtaining information. The Soviets and the Cubans have found out that violent methods are often counterproductive. People will stick to the principles for which they fought. But if you depersonalize a person, he will lose his social standards, his principles. One method is to change the body metabolism. You shut a man in a room with no light or a lot of light 24 hours a day. You interrogate him constantly, off and on. You bring him food every two hours, saying it is mealtime. After two days you lose your sense of time. The constant food brings you to a state of desperation. The mind, upon receiving so much pressure, comes to a point where it is blocked. You are questioned constantly. The mind is so exhausted, it has no defense. There are many medical ways to make a person practically unconscious.

In a more general sense, the pressure begins the moment a man or woman becomes a prisoner. There are seats that have a very uncomfortable backrest. The individual has to maintain an erect position and he has to look straight at his interrogator. If you try to get comfortable, they'll hit you.

Another method is to put you in a small room, completely white. The only furniture is your chair, the interrogator's chair and a desk. In the middle of the wall, going all around the room, is a black stripe. As the interrogation continues, the individual begins to feel that the black line is closing in on him. Sometimes people are locked in a cell so small that they can only sit down, not stand. Then the prisoner is photographed, made to squat for a drug search of his anus. If the prisoner is skinny, he is issued a baggy uniform. If he is fat, it will be too tight. You feel ridiculous. From then on, they address you only by number. Interrogation begins, which can be either very intense or very relaxed. Your cell will always be very bright or very dark. It has no windows, only a door. It is usually designed to echo. Everything echoes. You are completely disoriented.

I went to Cuba to study counterintelligence. When I returned in April of 1982, I was assigned to Zelaya Norte. After arriving there, I began to discover barbarities that were being committed against the Miskito people by reading the Ministry of Defense reports. Here is one entry which I copied in my notebook: "On Feb. 8, 1982, at 8:45 a.m., a troop of border guards fired at civilian persons on the Rio Coco at the point of the community of Bilwaskarma." The report explained that the people were traveling in canoes at the moment the troops fired upon them. One man survived. Reading this, I could not understand why the chief of counterintelligence for the area had not brought this to trial. I couldn't understand also why the soldiers would kill a pregnant woman in the canoe.

The Directorate had published an article in *Barricada* [the offical government newspaper] boasting that Sandinista soldiers had killed counterrevolutionaries coming out of Honduras. This was the same shooting I was reading about. The report I was reading said the people were searching for food and lived in Nicaragua. They had gone from Waspán [a town on the river] to Bilwaskarma in their canoes. I couldn't understand this. I fought against the barbarities Somoza committed against the Nicaraguan people. But as the revolutionary process increased, the level of class hatred increased. Among the officers, an attitude was created that one should kill rather than forgive.

The Miskito populations began to rise up. The Ministry of Defense said in its propaganda that the people who were fighting us were former national guardsmen [Somoza supporters], not Miskitos. On June 5, I participated in a firefight that was said to be with guardsmen, but it was really with Miskitos. They lost no one. We lost 19 men, officers as well as enlisted men. Twenty-two more were wounded. Only I and one other man were not hurt or killed. The regional chief of staff and his escort staff ran when the fighting started. When he decided to leave, he defended this by saying that he could not afford to die like any ordinary soldier.

There were large-scale arrests of Miskitos. About 800 people were detained. A second lieutenant saw an Indian woman among the prisoners and raped here. When this was investigated, the chief of staff pardoned him and transferred him to another unit in Kambla. It was interpreted as a promotion. I was transferred to Managua in August. I was now determined to leave Nicaragua.

But on Aug. 8, state security called me to a meeting in the Ministry of Defense building at Chipote military base. There they proposed to me that I provide the logistics, the guns, trucks and soldiers to physically eliminate the 800 Miskito prisoners. The state security people said they would have to be killed, and it should look as if they died in combat. When this was discussed, I practically went into a state of shock because of the moral conflicts it caused within me. It made me sick. They wanted me to provide soldiers to dig the graves, guards to control the Miskitos while they were being shot, trucks to transport them. I don't know if this massacre actually happened or not. On Aug. 10, I left Nicaragua.●

THE BISHOPS' LETTER

● Mr. MOYNIHAN. Mr. President, I would like, if I may, to bring to the attention of the Senate and the many readers of the CONGRESSIONAL RECORD an extraordinary document of great value and enduring importance to all Americans.

I speak of the pastoral letter of the National Conference of Catholic Bishops setting forth the teaching of the American Catholic Church with respect to morality in this nuclear age. Entitled "The Challenge of Peace: God's Promise and Our Response," the bishops' letter was formally adopted by the full conference only this Tuesday, May 3, 1983. As the complete text with the numerous minor amendments added this week is not yet in print, I submit to the RECORD excerpts published in this morning's New York Times.

The bishops' letter reminds us that nuclear war is not merely a mathematical problem of percentages and angles and megatonnage. They quite eloquently and candidly assert that arms control is something more than a logistical challenge of arranging for sufficient numbers of sessions in Geneva among negotiating teams. They try, and one hopes the bishops succeed, to teach us something about the very difficult moral choices that currently confront us in the matter of nuclear weapons and strategic policy—not only those of us in the U.S. Senate or in the Government, but all of us, Catholics, Christians, Americans, persons of good will everywhere.

This is a time for prayerful attention to important details in this area, as it is a time for careful reflection of the gravity of the decisions the Senate will soon take in this regard.

In that spirit, I urge my colleagues to read the insights offered this week—after more than 2 years of rigorous and thorough study and discussion—by the Catholic Conference.

I would also like to express my admiration and respect for the bishops who are the principal authors of this letter. The drafting committee was chaired by His Eminence Joseph Cardinal Bernardin, Archbishop of Chicago, a man of exceeding erudition and scholarly competence, as he has been an inspiring pastor in Cincinnati and Chicago.

The others on the committee were no less impressive in their immeasurably careful deliberation: The Most Reverend Thomas J. Gumbleton, auxiliary bishop of Detroit; the Most Reverend John O'Connor, auxiliary bishop to the military vicar in New York; the Most Reverend George A. Fulcher, bishop of Lafayette, Ind., and the Most Reverend Daniel P. Reilly, bishop of Norwich, Conn. I congratulate them all on this fine work, and I thank them all.

The excerpts follow:

[From the New York Times, May 5, 1983]

(Following are excerpts from "The Challenge of Peace: God's Promise and Our Response," the pastoral letter of the National Conference of Cathlic Bishops that was approved Tuesday in Chicago. The excerpts have been provided by The Associated Press, which worked from a copyrighted, published third draft of the document produced by the conference, and inserted amendments that were approved at this week's meeting. The bishops will publish the official version of their letter later.)

INTRODUCTION

"The whole human race faces a moment of supreme crisis in its advance toward maturity." Thus the Second Vatican Council opened its treatment of modern warfare. Since the council, the dynamic of the nuclear arms race has intensified.

I. PEACE IN THE MODERN WORLD: RELIGIOUS PERSPECTIVES AND PRINCIPLES

The experience of preparing this pastoral letter has shown us the range of strongly held opinion in the Catholic community on questions of war and peace. Obviously, as bishops we believe that such differences should be expressed within the framework of Catholic moral teaching.

THE MORAL CHOICES FOR THE KINGDOM

The Catholic tradition has always understood the meaning of peace in positive

terms. Peace is both a gift of God and a human work.

The Church's teaching on war and peace establishes a strong presumption against war which is binding on all; it then examines when this presumption may be overridden, precisely in the name of preserving the kind of peace which protects human dignity and human rights.

A government threatened by armed, unjust aggression must defend its people. This includes defense by armed force if necessary as a last resort. The need, right and duty to maintain appropriate armed defense now, even while exploring nonviolent methods of defense on a large scale as a possibility for the future, once again reflects the tension for the Christian, who must live in this world while trying to hasten the coming of the Kingdom.

The moral theory of the "just war" or "limited war" doctrine begins with the presumption which binds all Christians: We should do no harm to our neighbors; how we treat our enemy is the key test of whether we love our neighbor; and the possibility of taking even one human life is a prospect we should consider in fear and trembling.

Just war teaching has evolved, however, as an effort to prevent war; only if war cannot be rationally avoided, does the teaching then seek to restrict and reduce its horrors. It does this by establishing a set of rigorous conditions which much be met if the decision to go to war is to be morally permissible. Such a decision, especially today, requires extraodinarily strong reasons for overriding the presumption in favor of peace and against war.

Jus Ad Bellum: Why and When Recourse to War Is Permissible

Just Cause: War is permissible only to confront real and certain danger, i.e., to protect inocent life, to preserve conditions necessary for decent human existence, and to secure basic human rights.

Competent Authority: In the Catholic tradition war must be declared by those with responsibility for public order, not by private groups or individuals.

Comparative Justice: To pretend that as a nation we have lived up to all our own ideals would be patently dishonest. To pretend that all evils in the world have been or are now being perpetuated by dictatorial regimes would be both dishonest and absurd. But having said this, it is imperative that we confront reality. The facts simply do not support the invidious comparisons made at times, even in our own society, between our way of life, in which most basic human rights are at least recognized even if they are not always adequately supported, and those totalitarian and tyrannical regimes in which such rights are either denied or systematically suppressed.

Right Intention: During the conflict, right intention means pursuit of peace and reconciliation, including avoiding unnecessarily destructive acts or imposing unreasonable conditions (e.g., unconditional surrender).

Last Resort: For resort to war to be justified, all peaceful alternatives must have been exhausted.

Probability of Success: This is a difficult criterion but its purpose is to prevent irrational resort to force or hopeless resistance when the outcome of either will clearly be disproportionate or futile.

Proportionality: In terms of the Jus Ad Bellum criteria, proportionality means that the damage to be inflicted and the costs incurred by war must be proportionate to the good expected upon taking up arms." In today's interdependent world even a local conflict can affect people everywhere; this is particularly the case when the nuclear powers are involved.

Jus In Bello: Even when the stringent conditions which justify resort to war are met, the conduct of war (i.e., strategy, tactics and individual actions) remains subject to continuous scrutiny in light of two principles which have special significance today precisely because of the destructive capability of modern technological warfare.

When confronting choices among specific military options, the question asked by proportionality is: Once we take into account not only the military advantages that will be achieved by using this means, but also the harms reasonably expected to follow from using it, can its use still be justified? Even if the means adopted is not evil in itself, it is necessary to take into account the probable harms that will result from using it and the justice of accepting those harms.

Do the exorbitant costs, the general climate of insecurity generated, the possibility of accidental detonation of highly destructive weapons, the danger of error and miscalculation that could provoke retaliation and war—do such evils or others attendant upon and directly deriving from the arms race make the arms race itself a disproportionate response to aggression?

Finally, another set of questions concerns the interpretation of the principle of discrimination. The principle prohibits directly intended attacks on noncombatants and nonmilitary targets."

Mobilization of forces in modern war includes not only the military, but to a significant degree the political, economic, and social sectors. It is not always easy to determine who is directly involved in a "war effort" or to what degree.

Direct attacks on military targets involve similar complexities. Which targets are "military" ones and which are not? To what degree, for instance, does the use (by either revolutionaries or regular military forces) of a village or housing in a civilian populated area invite attack? What of a munitions factory in the heart of a city?

II. War and Peace in the Modern World: Problems and Principles

Both the just war teaching and nonviolence are confronted with a unique challenge by nuclear warfare. This must be the starting point of any further moral reflection: nuclear weapons, particularly, and nuclear warfare as it is planned today, raise new moral questions.

In the nuclear arsenals of the United States or the Soviet Union alone, there exists a capacity to do something no other age could imagine: We can threaten the entire planet. For people of faith this means we read the Book of Genesis with a new awareness. Today the destructive potential of the nuclear powers threatens the human person, the civilization we have slowly constructed, and even the created order itself.

A. THE NEW MOMENT

This nuclear escalation has been opposed sporadically and selectively but never effectively. The race has continued in spite of carefully expressed doubts by analysts and other citizens and in the face of forcefully expressed opposition by public rallies. Today the opposition to the arms race is no longer selective or sporadic, it is widespread and sustained.

As a people we must refuse to legitimate the idea of nuclear war. Such a refusal will require not only new ideas and new vision, but what the Gospel calls conversion of the heart.

We see with increasing clarity the political folly of a system which threatens mutual suicide, the psychological damage this does to ordinary people, especially the young, the economic distortion of priorities—billions readily spent for destructive elements while pitched battles are waged daily in our legislatures over much smaller amounts for the homeless, the hungry and the helpless here and abroad.

The political paradox of deterrence has also strained our moral conception. May a nation threaten what it may never do? May it possess what it may never use? Who is involved in the threat each superpower makes; government officials? or military personnel? or the citizenry in whose "defense" the threat is made?

B. RELIGIOUS LEADERSHIP AND THE PUBLIC DEBATE

We believe it is necessary, for the sake of prevention, to build a barrier against the concept of nuclear war as a viable strategy for defense. There should be a clear public resistance to the rhetoric of "winnable" nuclear wars, or unrealistic expectations of "surviving" nuclear exchanges and strategies of "protracted nuclear war."

C. THE USE OF NUCLEAR WEAPONS

For the tradition which acknowledges some legitimate use of force, some important elements of contemporary nuclear strategies move beyond the limits of moral justification. A justifiable use of force must be both discriminatory and proportionate. Certain aspects of both U.S. and Soviet strategies fail both tests as we shall discuss below. The technical literature and the personal testimony of public officials who have been closely associated with U.S. nuclear strategy have both convinced us of the overwhelming probability that major nuclear exchange would have no limits.

Moral Principles and Policy Choices

Counter-Population Warfare: Under no circumstances may nuclear weapons or other instruments of mass slaughter be used for the purpose of destroying population centers.

Retaliatory action which would indiscriminately take many wholly innocent lives, lives of people who are in no way responsible for reckless actions of their government, must also be condemned. This condemnation, in our judgment, applies even to the retaliatory use of weapons striking enemy cities after our own have already been struck.

The Initiation of Nuclear War: We do not perceive any situation in which the deliberate initiation of nuclear warfare, on however restricted a scale, can be morally justified.

This judgment affirms that the willingness to initiate nuclear war entails a distinct, weighty moral responsibility; it involves transgressing a fragile barrier—political, psychological and moral. We express repeatedly in this letter our extreme skepticism about the prospects for controlling a nuclear exchange, however limited the first use might be. Precisely because of this skepticism, we judge resort to nuclear weapons to counter a conventional attack to be morally unjustifiable. Our support of a "No First Use" policy must be seen in this light.

Limited Nuclear War: The issue at stake is the real as opposed to the theoretical possibility of a "limited nuclear exchange."

One of the criteria of the just war tradition is a reasonable hope of success in bringing about justice and peace. We must ask whether such a reasonable hope can exist once nuclear weapons have been exchanged. The burden of proof remains on those who assert that meaningful limitation is possible.

It is necessary to state that a nuclear response to either a conventional or nuclear attack can cause destruction which goes far beyond "legitimate defense." In such a case the use of nuclear weapons would not be justified.

D. DETERRENCE IN PRINCIPLE AND PRACTICE

Deterrence is at the heart of the U.S.-Soviet relationship, currently the most dangerous dimension of the nuclear arms race.

Moral Principles and Policy Choices

There are moral limits to deterrence policy as well as to policy regarding use. Specifically, it is not morally acceptable to intend to kill the innocent as part of a strategy of deterring nuclear war. The question of whether U.S. policy involves an intention to strike civilian centers (directly targeting civilian populations) has been one of our factual concerns.

This statement does not address or resolve another very troublesome moral problem, namely, that an attack on military targets or militarily significant industrial targets could involve "indirect" (i.e., unintended) but massive civilian casualties.

In our consultations, administration officials readily admitted that, while they hoped any nuclear exchange could be kept limited, they were prepared to retaliate in a massive way if necessary. They also agreed that once any substantial numbers of weapons were used, the civilian casualty levels would quickly become truly catastrophic, and that even with attacks limited to "military" targets, the number of deaths in a substantial exchange would be almost indistinguishable from what might occur if civilian centers had been deliberately struck.

We cannot be satisfied that the assertion of an intention not to strike civilians directly, or even the most honest effort to implement that intention, by itself constitutes a "moral policy" for the use of nuclear weapons.

These considerations of concrete elements of nuclear deterrence policy lead us to a strictly conditioned moral acceptance of nuclear deterrence. We cannot consider it as a long-term basis for peace.

We wish now to make some specific evaluations:

1. If nuclear deterrence exists only to prevent the use of nuclear weapons by others, then proposals to go beyond the minimum requirements necessary to insure credibility of deterrence at any level of conflict are not acceptable.

2. If deterrence is our goal, "sufficiency" to deter is an adequate strategy; the quest for superiority must be rejected.

3. If nuclear deterrence should be used as a step on the way toward progressive disarmament, then each proposed addition to our strategic system or change in strategic doctrine must be assessed precisely in light of whether it will render steps toward "progressive disarmament" more or less likely.

Progress toward a world free of dependence on nuclear deterrence must be carefully carried out. But it must not be delayed.

In light of these general judgments we oppose some specific proposals in respect to our present deterrence posture:

1. The addition of weapons which are likely to be vulnerable to attack, yet also possess a "prompt hard target kill" capability that threatens to make the other side's retaliatory forces vulnerable.

2. The willingness to foster strategic planning which seeks a nuclear warfighting capability that goes beyond the limited function of deterrence outlined in this letter.

3. Proposals which have the effect of lowering the nuclear threshold and blurring the difference between nuclear and conventional weapons.

In support of the concept of "sufficiency" as an adequate deterrent, and in light of the present size and composition of both the U.S. and Soviet strategic arsenals, we recommend:

1. Support for immediate, bilateral, verifiable agreements to halt the testing, production, and deployment of new nuclear weapons systems;

2. Support for negotiated bilateral deep cuts in the arsenals of both superpowers;

3. Support for early and successful conclusion of negotiations of the comprehensive test ban treaty;

4. Removal by all parties of short-range nuclear weapons which multiply dangers disproportionate to their deterrent value;

5. Removal by all parties of nuclear weapons from areas where they are likely to be overrun in the early stages of war, thus forcing rapid and uncontrollable decisions on their use;

6. Strengthening of command and control over nuclear weapons to prevent inadvertent and unauthorized use.

Nevertheless, there must be no misunderstanding of our profound skepticism about the moral acceptability of any use of nuclear weapons. We are told that some weapons are designed for purely "counterforce" use against military forces and targets. The moral issue, however, is not resolved by the design of weapons or the planned intention for use; there are also consequences which must be assessed. It would be a perverted political policy or moral casuistry which tried to justify using a weapon which "indirectly" or "unintentionally" killed a million innocent people because they happened to live near a "military significant target."

Even the "indirect effects" of initiating nuclear war are sufficient to make it an unjustifiable risk in any form. It is not sufficient, for example, to contend that "our" side has plans for "limited" or "discriminate" use. Modern warfare is not readily contained by good intentions or technological designs.

The need to rethink the deterrence policy of our nation, to make the revisions necessary to reduce the possibility of nuclear war, and to move toward a more stable system of national and international security will demand a substantial intellectual, political and moral effort. It also will require, we believe, the willingness to open ourselves to the providential care, power and Word of God.

III. The Promotion of Peace: Proposals and Policies

A. SPECIFIC STEPS TO REDUCE THE DANGERS OF WAR

Accelerated work for arms control, reduction and disarmament: We urge negotiations to halt the testing, production and deployment of new nuclear weapons systems. The numbers of existing weapons must be reduced in a manner which lessens the danger of war.

Arms control and disarmament must be a process of verifiable agreements especially between two superpowers. While we do not advocate a policy of unilateral disarmament, we believe the urgent need for control of the arms race requires a willingness for each side to take some first steps.

Negotiations on arms control agreements in isolation, without persistent and parallel efforts to reduce the political tensions which motivate the buildup of armaments will not suffice.

We strongly support negotiations aimed at reducing and limiting conventional forces and at building confidence between possible adversaries . . . We urge that prohibitions outlawing the production and use of chemical and biological weapons be reaffirmed and observed.

Sales of increasingly sophisticated military aircraft, missiles, tanks, anti-tank weapons, anti-personnel bombs and other systems by the major supplying countries (especially the U.S.S.R., the U.S., France and Britain) have reached unprecedented levels.

We call for a reversal of this course.

The Relationship of Nuclear And Conventional Defenses: The strong position we have taken against the use of nulcear weapons, and particularly the stand against the initiation of nuclear war in any form, calls for further clarification of our view of the requirements for conventional defense.

From the perspective of a developing theology of peace, we hope that a significant reduction in numbers of conventional arms and weaponry would go hand in hand with diminishing reliance on nuclear deterrence.

Civil Defense: Attention must be given to existing programs for civil defense against nuclear attack, including blast and fall-out shelters and relocation plans.

Efforts to Develop Nonviolent Means of Conflict Resolution: We affirm a nation's right to defend itself, its citizens, and its values. Security is the right of all, but that right, like everything else, must be subject to divine law and the limits defined by law.

Nonviolent means of resistance to evil deserve much more study and consideration than they have thus far received. Nonviolence is not the way of the weak, the cowardly, or the impatient. Such movements have seldom gained headlines, even though they have left their mark on history.

Nonviolent resistance offers a common ground of agreement for those individuals whose choose the option of Christian pacifism even to the point of accepting the need to die rather than to kill, and those who choose the option of lethal force allowed by the theology of just war.

B. SHAPING A PEACEFUL WORLD

Preventing nuclear war is a moral imperative; but the avoidance of war, nuclear or conventional, is not a sufficient conception of international relations today.

World Order in Catholic Teaching: An important element missing from world order today is a properly constituted political authority with the capacity to shape our material interdependence in the direction of moral interdependence.

Major global problems as well as the danger or world war resulting from these growing tensions cannot be remedied by a single nation-state approach.

The Superpowers in a Disordered World: No relationship more dramatically demonstrates the fragile nature of order in international affairs today than that of the United States and the Soviet Union. These two sovereign states have avoided open war, nuclear or conventional, but they are divid-

ed by philosophy, ideology and competing ambitions.

The fact of a Soviet threat, as well as the existence of a Soviet imperial drive for hegemony at least in regions of major strategic interest, cannot be denied.

Americans need have no illusion about the Soviet system of repression and the lack of respect in that system for human rights, or about Soviet covert operations and pro-revolutionary activities. To be sure, our own system is not without flaws. Our government has sometimes supported repressive governments in the name of preserving freedom, has carried out repugnant covert operations of its own, and remains imperfect in its domestic record of insuring equal rights for all.

There are political philosophies with understandings of morality so radically different from ours, that even negotiations proceed from different premises, although identical terminology may be used by both sides. This is no reason for not negotiating. It is a very good reason for not negotiating blindly or naively.

Sensible and successful diplomacy, however, will demand that we avoid the trap of a form of anti-Sovietism which fails to grasp the central danger of a superpower rivalry in which both the U.S. and the U.S.S.R. are the players, and fails to recognize the common interest both states have in never using nuclear weapons.

Diplomatic dialogue usually sees the other as a potential or real adversary. But the Soviet people and their leaders are human beings created in the image and likeness of God. To believe we are condemned in the future only to what has been the past of U.S.-Soviet relation is to underestimate both our human potential for creative diplomacy and God's action in our midst which can open the way to changes we could barely imagine.

IV. Pastoral Challenge and Response

We readily recognize that we live in a world that is becoming increasingly estranged from Christian values. In order to remain a Christian, one must take a resolute stand against many commonly accepted axioms of the world.

The arms race presents questions of conscience we may not evade. As American Catholics, we are called to express our loyalty to the deepest values we cherish; peace, justice and security for the entire family.

We speak here in a specific way to the Catholic community.

To Priests and Religious: This letter will be known by the faithful only as well as you know it, preach it and teach it, and use it creatively.

To Educators: To teach the ways of peace is not to "weaken the nation's will," but to be concerned for the nation's soul.

To Parents: Your role, in our eyes, is unsurpassed by any other; the foundation of society is the family. Children hear the Gospel message first from your lips. Parents who consciously discuss issues of justice in the home and strive to help children solve conflicts through nonviolent methods, enable their children to grow up as peacemakers.

To Youth: Pope John Paul II singles you out in every country where he visits as the hope of the future; we agree with him. We call you to choose your future work and professions carefully. How you spend the rest of your lives will determine, in large part whether there will any longer be a world as we know it.

To Men and Women in the Military Service: It is surely not our intention in writing this letter to create problems for Catholics in the armed forces. Every profession, however, has its specific moral questions and it is clear that the teaching on war and peace developed in this letter poses a special challenge and opportunity to those in the military profession . . .

We remind all those in authority and in the chain of command that their training and field manuals have long prohibited, and still prohibit, certain actions in the conduct of war, especially those actions which inflict harm on innocent civilians. The question is not wehther certain measures are unlawful or forbidden in warfare, but which measures: To refuse to take such actions is not an act of cowardice or treason but one of courage and patriotism.

We address particularly those involved in the exercise of authority over others. In developing battle plans and weapons systems, we urge you to try to ensure that these are designed to reduce violence, destruction, suffering, and death to a minumum, keeping in mind especially noncombatants and other innocent persons.

Attention must be given to the effects on military personnel themselves of the use of even legitimate means of conducting war. While attacking legitimate targets and wounding or killing opposed combat forces may be morally justified, what happens to military persons required to carry out these actions? Are they treated merely as instruments of war, insensitive as the weapons they use?

We especially command and encourage our priests in the military service. In addition to the message already addressed to all priests and religious, we stress the special obligations and opportunities you face in direct pastoral service to the men and women of the armed forces. To complement a teaching document of this scope, we shall need the sensitive and wise pastoral guidance only you can provide.

To Men and Women in Defense Industries: We do not presume or pretend that clear answers exist to many of the personal, professional and financial choices facing you in your varying responsibilities. In this letter we have ruled out certain uses of nuclear weapons, while expressing conditional moral acceptance for deterrence. All Catholics, at every level of defense industries, can and should use the moral principles of this letter to form their consciences. Those who in conscience decide that they should no longer be associated with defense activities should find support in the Catholic community. Those who remain in these industries or earn a profit from the weapons industry should find in the Church guidance and support for the ongoing evaluation of their work.

To Men and Women of Science: We appreciate the efforts of scientists, some of whom first unlocked the secret of atomic power and others of whom have developed it in diverse ways, to turn the enormous power of science to the cause of peace.

To Catholics as Citizens: Nuclear weapons pose especially acute questions for the conscience of American Catholics. As citizens we wish to affirm our loyalty to our country and its ideals, yet we are also citizens of the world who must be faithful to the universal principle proclaimed by the Church. While some other countries also possess nuclear weapons, we may not forget that the United States was the first to build and to use them. Like the Soviet Union, this country now possesses so many weapons as to imperil the continuation of civilization. Americans share responsibility for the current situation, and cannot evade responsibility for trying to resolve it.●

THE CHRYSLER LOAN

● Mr. RIEGLE. Mr. President, today, I received a letter from Lee Iacocca, chairman of the board of the Chrysler Corp. I would like to share this letter, and the accompanying news release, with my colleagues because they contain an announcement that will gratify us all.

On December 19, 1979, the Congress enacted the Chrysler Loan Guarantee Act. That legislation was the product of countless hours of debate, negotiation, and controversy. Many statements were made concerning the wisdom of that legislation and the risk that the Federal Government was assuming to assist a failing corporation.

Mr. President, it gives me great pleasure to echo the announcement that Mr. Iacocca made today that Chrysler will repay $400 million—a full one-third of the total loan guarantees extended to them—on or shortly after June 15. That date is the earliest allowed for repayment by the statute. This payment occurs 7 years ahead of schedule, and it is truly a remarkable achievement.

This is a tribute to Mr. Iacocca, the United Auto Workers, and the entire Chrysler Corp. Our Nation made an investment in the future of that company and in a short time that investment has been returned to us in a healthy corporation, hundreds of thousands of jobs, and an early repayment of the loan guarantees.

I ask that the news release be printed in the Record at this point.

The news release follows:

Detroit, May 5.—Chrysler Corporation Chairman Lee A. Iacocca today announced that in June the company intends to pay off $400 million, one-third of its total government guaranteed loans. The company sold notes totaling $1.2 billion between June, 1980 and February, 1981, under the terms of the Loan Guarantee Act of 1979.

Under the terms of the loan, Chrysler cannot begin paying on the guaranteed notes until June 15, 1983, and Iacocca said the company would "do it on that day, or as soon thereafter as we can." Chrysler is filing its payment plan with the Loan Guarantee Board on Monday, May 9.

In a related development, Iacocca announced that Chrysler would be going into the bond market to refinance a portion of the guaranteed debt. That will be the first time in 10 years that Chrysler has gone to the public bond market without government assistance.

Chrysler sold government guaranteed notes in the financial markets three times between June, 1980 and February, 1981. The first sale in June, 1980 was for $500 million worth of notes bearing 10.35 percent interest. The final sale in February, 1981, was for $400 million at 14.9 percent interest and it is this last issue that Chrysler is retiring. In

addition, Chrysler pays a one percent guarantee fee to the Federal Government.

"This is a great day for everyone associated with Chrysler," Iacocca said, "stockholders, employees, dealers, suppliers, lenders, and for all those millions of people around the country who were with us in spirit.

"It is remarkable to many people that we're paying off the loans," he added, "considering that so many government loans and guarantees actually become outright grants.

"Just try to name a person, corporation or government, that has paid off a note seven years ahead of schedule," Iacocca said.

The Loan Guarantee Act was passed by Congress on December 21, 1979. President Jimmy Carter signed it into law on January 7, 1980, and Chrysler began to put together a $2 billion financial package to qualify for the government guaranteed loans. After six months, Chrysler had qualified to begin drawing down on $1.5 billion of loan guarantees. Repayment was required in 1990.

As collateral, the U.S. government has liens on substantially all of Chrysler's assets. In addition, Chrysler has been paying an annual fee to the Treasury Department of $12 million. The government recently estimated that it costs $1 million a year to administer the loans. Chrysler's cumulative fee payments to the Treasury since 1980 amount to $31.2 million.●

GEOPOLITICS OF STRATEGIC AND CRITICAL MINERALS

● Mr. McCLURE. Mr. President, over the past several years, the Committee on Energy and Natural Resources has conducted extensive hearings on the geopolitics of oil. The purpose of those hearings was to determine the implications of the changing nature of the world oil market and to identify the factors that are likely to affect access to and the cost of oil, both in monetary and political terms, through the rest of this century.

While developments in the world oil markets have, and will continue to have a significant impact upon the United States and the rest of the free world, oil should not be viewed as the only commodity of strategic and critical importance to the United States.

Of equal importance to our survival as an industrialized democratic society is the availability of an adequate and secure supply of strategic and critical minerals. The United States is currently 50 percent or more dependent on foreign sources of over half of the approximately 40 minerals considered to be essential to our multitrillion dollar economy. The United States imported 25 billion dollars' worth of these minerals in 1982. Many of these minerals come from politically and economically unstable foreign sources.

The price and availability of vital minerals such as cobalt, chromium, and manganese are almost completely dependent on geopolitical events in southern Africa. For example, the area of southern Africa has 95 percent of the world's chrome, 86 percent of the world's platinum, 64 percent of the world's vanadium, 53 percent of the world's manganese, and 52 percent of the world's cobalt.

While many of these strategic and critical minerals are not found in the United States and, therefore, will have to be imported, we must be concerned with the potential vulnerability attendant to any future cutoff of these supplies. Thus, vulnerability to supply disruptions must be distinguished from import dependence. In other words, reducing import dependence would not necessarily eliminate our vulnerability to a supply disruption.

Global competition for strategic and critical materials clearly has important implications for our balance of payments, inflation, and a host of other implications regarding national defense, foreign policy, and our domestic industrial base.

It is therefore my intent, working with Senator WARNER and other members of the Energy and Natural Resources Committee, to conduct extensive hearings on the geopolitics of strategic and critical minerals with the first hearing to be held on May 19 at 10:30 a.m. in room SD-366.●

ORDER OF BUSINESS

Mr. BAKER. Mr. President, I have completed now my collection of items to be disposed of this evening. The minority leader is leaving the Chamber, and he has advised me that he has nothing further and I intend to follow him.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. BAKER. Mr. President, I now move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 9:30 a.m., tomorrow.

The motion was agreed to; and, at 8:25 p.m., the Senate recessed until Friday, May 6, 1983 at 9:30 a.m.